# Posting 1

The WECC-0142: Request to Retire BAL-002-WECC-3, Contingency Reserve Drafting Team (DT) thanks everyone who submitted comments on the proposed document.

## Posting

This project was posted for a 60-day public comment period from November 15, 2024 through January 15, 2025.

WECC distributed the notice for the posting on November 15, 2024. The DT asked stakeholders to provide feedback on the proposed document through a standardized electronic template. 22 comments were received during the 60-day posting period.

## Location of Comments

All comments received on the project can be viewed in their original format on the WECC-0142: Request to Retire BAL-002-WECC-3, Contingency Reserve project page under the “Submit and Review Comments” accordion.

## Changes in Response to Comment

Clarifying changes have been made to the white paper. These changes did not affect the substance or change the rationale that the drafting team put forth for the comment period. Besides grammar updates, some changes made to the white paper are:

* *In the Executive Summary Section*
  + Clarifying that BAL-002-WECC has required most but not all WECC entities to hold more reserves.
  + Changing “reserves” in paragraph 4 to “the greater of, either the amount of Contingency Reserve equal to the loss of the most severe single contingency or the amount of Contingency reserve equal to the sum of” to be clearer.
  + Other minor wording changes.
* *Introduction*
  + Minor wording changes.
* *Procedural History*
  + Updating dates to 2025 and clarifying wording changes.
* *Reliability will be maintained*
  + Removed a subjective phrase about cost from two sentences.

## Minority View

During the 60-day comment period no minority view was presented.

## Effective Date

TBD

## Action Plan

The DT has voted at their 1/21/2025 meeting to request approval for Ballot from the WSC.

## Contacts and Appeals

If you feel your comment has been omitted or overlooked, please contact [Donovan Crane](mailto:dcrane@wecc.org), Senior Engineer, at (385) 408-9296. In addition, there is a WECC Reliability Standards appeals process.

| Commenter | | Organization |
| --- | --- | --- |
| **1** | Kevin Conway | Western Power Pool |
| **2** | Steven Rueckert | WECC |
| **3** | Rebecca Zahler | PUD No. 1 of Chelan County |
| **4** | Adrian Andreoiu | BC Hydro |
| **5** | Lindsay Wickizer | Pacificorp |
| **6** | Holly Mitchell | Northwestern Energy |
| **7** | Jennie Wike | Tacoma Power |
| **8** | Michael Jang | Seattle City Light |
| **9** | ChaRee DiFabio | Western Power Pool |
| **10** | Anna Lavik | Puget Sound Energy |
| **11** | Marie Anderson | GCPUD |
| **12** | Alan Wahlstrom | Southwest Power Pool |
| **13** | Dwanique Spiller | NV Energy |
| **14** | Steven Ashbaker | Western Electricity Coordinating Council |
| **15** | Tim Kelly | SMUD, BANC |
| **16** | Cain Braveheart | Bonneville Power Administration |
| **17** | Diana Torres | Imperial Irrigation District |
| **18** | Mike Pfeister | SRP |
| **19** | Ben Hammer | Western Area Power Administration - Rocky Mountain Region (NCR05464), Western Area Power Administration -Desert Southwest Region (NCR05461), Western Area Power Administration – Upper Great Plains Region (NCR05467) |
| **20** | Pablo Onate | El Paso Electric |
| **21** | Robert Follini | Avista Corporation |
| **22** | Brooke Jockin | Portland General Electric (PGE) |

# Index to Questions, Comments, and Responses

### Question

1. Do you agree with the Drafting Team's request for the Standard to be retired? Yes/No with a narrative explanation.
2. Do you agree with the Drafting Team's rationale for requesting the retirement of the Standard? Yes/no with a narrative explanation
3. Do you have any other rationale that the drafting team may not have thought of or included in this document? Yes/No with a narrative explanation
4. Do you agree with the Drafting Team's request for the Standard to be retired? Yes/No with a narrative explanation.

|  |  |
| --- | --- |
| Summary Consideration: See summary in the preamble of this document. | |
| **Commenter** | **Comment** |
| Kevin Conway | Yes, the Western Power Pool supports the retirement of BAL-002-WECC-3 |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Rebecca Zahler | Yes, CHPD concurs with the Drafting Team’s request to retire the BAL-002-WECC Standard. We support the rationale outlined in the WECC-0142 Attachment A SAR and the WECC-0142 BAL-002-WECC-3 White Paper. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Adrian Andreoiu | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Lindsay Wickizer | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Holly Mitchell | Yes. The retirement of this standard is long overdue. This retirement will enable WECC to be in line with the continent-wide NERC BAL-002-3 as the industry rapidly evolves to integrate IBRs and other alternative energy sources. The retirement will also enhance reliable operations by removing unnecessarily restrictive practices. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Jennie Wike` | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Michael Jang | Yes, SCL is in agreement and full support with the Drafting Team's request for the Standard to be retired. The retirement of the WECC specific Reliability Standard does not diminish or lessen the ability, intent and actions that are taken during events the standard was initially created to address. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| ChaRee DiFabio | Yes. In review of the NWPP RSG Data, the group holds excess contingency reserve, at least two to three times the MSSC, that its Participants could utilize to maintain other operational needs, such as supporting the variable resources and frequency response. In addition, as already noted, it has economic impacts to these participants since there are associated costs for holding back the Contingency Reserve that could be used elsewhere to maintain reliability. Last, the timing requirement from 60 minutes to 90 minutes does allow a more practical restoration period to recover from the event and restore contingency reserve, which should decrease the numbers and level of a potential EEA3 since the entity will have time to assess more rational restoration actions. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Anna Lavik | Yes, PSE agrees that retirement would improve reliability and free up available generation. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Marie Anderson | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Alan Wahlstrom | Yes, the western interconnect is held at a higher standard than the other Interconnects, It is unfair and places an additional burden on operating resources as compared to the other Interconnects. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Dwanique Spiller | 1. Yes, NV Energy agrees with the Drafting Team’s request and that it provides operational efficiency, maintains reliability, simplifies compliance, facilitates better integration of IBRs, and provides economic benefits. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Steven Ashbaker | Yes, I agree with the Drafting Teams request for the Standard to be retired. Retirement of this standard would free up excess reserves being held above the MSSC requirements to serve system demand, without reducing reliability in the WI. This additional available capacity would be better used to address the issues associated with IBR integration and variable generation. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Tim Kelley | Yes. SMUD and BANC agree with the Drafting Team that holding Contingency Reserves at a level of 3% load plus 3% generation is not technically supported and is more than what is needed for bulk power system reliability. We recognize that BAL-002-WECC-3 may provide additional reliability for the large system events, such as double Palo Verde unit tripping or Northwest RAS generation tripping, which has occurred in the past. The Drafting Team should consider adding some analysis in the white paper showing that the reliability risks associated with these big system events could still be adequately addressed with the retirement of BAL-002-WECC-3. In addition, BAL-002-WECC-3 Requirement R3 requires each sink BA and each sink RSG to carry additional Contingency Reserves for non-firm purchases of Contingency Reserves, and BAL-002-WECC-3 Requirement R4 requires each source BA and each sink RSG to carry additional Contingency Reserves for firm sales of Contingency Reserves. We recommend that the Drafting Team add some rationale in the white paper for the retirement of these two requirements. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Cain Braveheart | Yes. Bonneville Power Administration (BPA) believes the current standard requires WECC entities to hold more contingency reserves than is necessary and allows only 60 minutes to fully recover from an event. With the number of variable generation resources coming online, the capacity being unused by holding too much for contingency reserve can be better allocated to ensure reliability of the interconnection and to help balance the variable energy resources. BPA believes the timing required by the markets causes issues when trying to replenish reserves in the 60 minutes allocated. The 105 minutes allotted in BAL-002-3 (90 minutes after the Contingency Event Recovery Period) is better suited for operations in a market environment. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Diana Torres | Yes, As IID is a participant in the NWPP Reserve Sharing Group, those Contingency Reserves must always be met and held for use. As part of the RSG our reliability will not be compromised. Communication between the RSG and the BA have remained strong and will correspond and respect the BAL-002-3 NERC standard that will take the place of BAL-002-WECC-3 standard. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Mike Pfeister | Yes, SRP does agree with the Drafting Team's request for BAL-002-WECC-3 to be retired. NERC BAL-002-3 has a proven history of meeting the needs of each interconnection. The requirements in BAL-002-WECC-3 have not been found to be necessary in their history in the Western Interconnection. With more variable resources in the interconnection it makes sense to maximize the use of freed up capacity, with the retirement of BAL-002-WECC-3, to be used for regulation and capacity needs. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Ben Hammer | Yes, Western Area Power Administration (WAPA) enthusiastically supports the retirement of the BAL-002-WECC-3 standard. WAPA operates three Balancing Authorities (WALC, WACM, & WAUW) in the WECC footprint. Each of our BAs also participate in the Northwest Power Pool reserve sharing group. This participation has allowed us to reduce our Contingency Reserve obligation while maintaining reliability. All three BAs also participate in organized imbalance markets. Operating our BAs and meeting all the NERC reliability standards efficiently and economically has become increasingly more difficult over the last few years. We have a finite amount of capacity on our federal hydro resources to balance our loads and resources, maintain reliability, and satisfy our statutory delivery obligations. This constraint has been negatively impacted by the prolonged drought in the West and the increase of Solar and Wind resources that have interconnected to our systems. By retiring the more stringent WECC standard, WAPA would realize a significant reduction to the amount of capacity we would have to commit for Contingency Reserves and would free up this capacity to manage the variability of existing and future variable renewable resources. Additionally, WAPA supports extending the time requirement for restoring Contingency Reserves after an event from 60 minutes to 105 minutes. This approach makes more operational and commercial sense. Western market practices have made the restoration of Contingency Reserves more challenging and introduced more economic and operational risks. WAPA is concerned with maintaining a standard that is not proven, not evidence-based, and inconsistent with the rest of the continent. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Pablo Oñate | Yes. Historical background and technical rationale prompt merit for standard retirement. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Robert Follini | YES. The request to retire BAL-002-WECC-3 is justified and needed for the Western Interconnection. The simple facts clearly articulated in the White Paper that system reliability is not impacted negatively by this change, and is likely enhanced, while ensuring better use of existing generating resources, both variable and base, should be clear enough justification to retire BAL-002-WECC-3. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Brooke Jockin | Yes. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |

1. Do you agree with the Drafting Team's rationale for requesting the retirement of the Standard? Yes/no with a narrative explanation

|  |  |
| --- | --- |
| Summary Consideration: See summary in the preamble of this document. | |
| **Commenter** | **Comment** |
| Kevin Conway | Yes, the Western Power Pool supports the Drafting Team's rational for requesting retirement of BAL-002-WECC-3 |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Rebecca Zahler | Yes, CHPD concurs with the Drafting Team’s rationale for requesting retirement of the BAL-002-WECC Standard. We support the rationale outlined in the WECC-0142 Attachment A SAR and the WECC-0142 BAL-002-WECC-3 White Paper. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Adrian Andreoiu | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Lindsay Wickizer | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Holly Mitchell | Yes. The requirements of NERC BAL-002-3 are sufficient to maintain grid reliability for Balancing Contingency Events, the 60-minute recovery timeframe in BAL-002-WECC-3 is not consistent with the current market landscape and exposes entities to greater risk for minimal reliability benefit |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Jennie Wike` | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Michael Jang | Yes, SCL is in agreement Drafting Team's rationale for requesting the retirement of the Standard. SCL strongly agrees wiht the rationale that the existing BAL-002-WECC-3, Contingency Reserve requirement does not enhance reliability of the interconnection. In fact, it decreases reliability of the interconnection. For SCL, being a heavily sourced hydro generation facility Balancing Authority, the current BAL-002-WECC-3, Contingency Reserve requirement results in a major negative operational impact due to our limited (cfs inflow & safe reservoir levels) fuel supply and no meaningful reliability benefit for maintaining compliance for it. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| ChaRee DiFabio | Yes. The drafting team has been able to utilize historical information and data in support of this rationale. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Anna Lavik | Yes, PSE only sees benefits of the retirement of BAL-002-WECC-3 and agrees with the rational provided by the Drafting team. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Marie Anderson | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Alan Wahlstrom | Yes, having operating reserves to cover the largest contingency makes sense because you are recovering what is lost but the 3% rule there is no technical justification. Is 3% right amount? should it be 2% or 4%. Does this requirement make sense today? This is not for the team but maybe for WECC, could a study be developed with different IBR penetration to verify reliable operation with the 60 min recovery and the 3% rule reserve. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Dwanique Spiller | 2. Yes, NV Energy agrees with the rationale that retiring the Standard provides alignment with the rest of the continent and FERC Order 901 and frees up resources to be used more effectively against ever increasing load demands and installation of variable generation. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Steven Ashbaker | Yes, I agree with the Drafting Team's rational for requesting retirement. See response to Q1. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Tim Kelley | Yes. SMUD and BANC agree with the Drafting Team’s rationale for requesting the retirement of the Standard. However, the rationale could be bolstered if the Drafting Team added some analysis in the White Paper showing that the reliability risks associated with the big system events could still be adequately addressed with the retirement of BAL-002-WECC-3 and add some rationale to address the retirement of Requirements R3 and R4. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Cain Braveheart | Yes. See BPA’s response to question 1. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Diana Torres | Yes, After reviewing the drafting team’s paper IID is in agreement with the request for retirement. The rationale clearly states the differences of the two standards and there are concrete explanations as to the requirements for BAL-002-3 standard to be followed. IID will abide and implement as needed. |
| **Response** | |
| The Drafting Team Appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Mike Pfeister | Yes, the Drafting Team's rationale is sound. We have history in the Western Interconnection and other interconnections to support this rationale. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Ben Hammer | Yes, see response to question #1 |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Pablo Oñate | Yes. See response to #1 |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Brooke Jockin | Yes. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |

1. Do you have any other rationale that the drafting team may not have thought of or included in this document? Yes/No with a narrative explanation

|  |  |
| --- | --- |
| Summary Consideration: See summary in the preamble of this document. | |
| **Commenter** | **Comment** |
| Kevin Conway | The Western Power Pool has no additional rationale that the Drafting Team should consider. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Rebecca Zahler | Yes, CHPD concurs with the Drafting Team’s rationale for requesting retirement of the BAL-002-WECC Standard. We support the rationale outlined in the WECC-0142 Attachment A SAR and the WECC-0142 BAL-002-WECC-3 White Paper. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Steve Rueckert | I have several clarifying comments:   In the Executive Summary it states "BAL-002-WECC has always required holding more reserves..." This is not true. BAL-002-WECC generally requires more reserves because it requires the "greater of 3% Load and 3% generation or MSSC" but a BA or RSG may at times have MSSC as the greater of, so that would be the same as the NERC Standard.  There is a sentence that says the applicable entity must hold reserves based on three percent of load and three percent of generation. This is not true. BAL-002-WECC requires "the greater of" three percent of load and three percent of generation or MSSC.  On page 17, directly below the CRO-MSSC graph, the title says "the shortened execution time of BAL-003-WECC-3..." It should be BAL-002-WECC-3.  On page 19 it states that "Every energy customer in the absorbs this excess cost." Should it state "Every energy customer int the West absorbs this excess cost?"  On page 19 it again refers to BAL-003-WECC-3. It should be BAL-002-WECC-3.  On page 23, the last sentence of the first paragraph doesn't seem to make sense. The ending says "declare an EEA any time the reserves need restored within 60 minutes of the event." Seems like a word may be missing.  On page 24 towards the end of the last paragraph reference is made to an Emergency Alert 3. Should this say and Energy Emergency Alert 3? |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Lindsay Wickizer | No |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Holly Mitchell | No additional rationale. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Jennie Wike` | No, Tacoma Power concurs with the rationale proposed by the drafting team and is supportive of this effort to retire BAL-002-WECC-3 entirely. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Michael Jang | No. SCL does not have other rationale that the drafting team may not have thought of or included in the document. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| ChaRee DiFabio | No |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Anna Lavik | PSE does not have any additional rational that was overlooked by the drafting team. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Marie Anderson | Yes |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Alan Wahlstrom | Yes More organizations are becoming BA's in the west with many of these organizations presently having a BA footprint in the Eastern Interconnect. The BA operation in the west must be different than the east, causing the BA to have different sets of operating criteria. If the NERC BAL-2 is excepted for the west it would provide continuity and simplifying the overall operation of the BA. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Dwanique Spiller | No. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Steven Ashbaker | Provided Redline comments and proposed edits to Donovan Crane, Staff and Kevin Conway, DT Chair. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Tim Kelley | No. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Cain Braveheart | No. BPA believes the rationale provided by the drafting team offers a clear explanation and technical justification for the full retirement of BAL-002-WECC-3. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Diana Torres | Yes, the IID has reviewed and respects the rationale of the Drafting Team on the request to retire BAL-002-WECC-3. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Mike Pfeister | SRP has no other rationale to add to the Drafting Team's work. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |
| **Commenter** | **Comment** |
| Ben Hammer | No |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. Your suggestions have been taken into account in the revisions that have been made to the white paper. | |
| **Commenter** | **Comment** |
| Pablo Oñate | No. The whitepaper represents ideas well and EPE subscribes to its rationale. |
| **Response** | |
| The Drafting Team appreciates your comments and input in this process. | |