

Project 2010-14.1 BARC –Reserves- BAL-002-2

- **Resolves conflict with compliance information not in requirements**
 - All necessary compliance information brought into requirements
 - Establishes ceiling of MSSC for compliance
 - Addresses multiple contingencies
- **Addresses outstanding Request for Interpretation**
 - Establishes ceiling of MSSC for compliance (filed with FERC – NOPR issued proposing to remand)
- **Contingency Reserve definition**
 - Resolves conflict with EOP-002/EOP-011
 - Allows for Firm Demand to be used for Contingency Reserve during an EEA
 - Allows for Contingency Reserve to be used for any event

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Requirement R1

- Requires recovery from reportable event within pre-defined limits.
- Allows for exemption from compliance when:
 - in an EEA where Contingency Reserve is being deployed
 - Resolves conflict with EOP-002/EOP-011
- MSSC exceeded multiple contingencies

Requirement R2

- Requires a process within an Entity's Operating Plan
 - Plan must define MSSC
 - Must reflect how Contingency Reserve is established
- Results of Operating Plan must show planned Contingency Reserves Greater than MSSC

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Requirement R3

- Requires restoration of Contingency Reserve
- Contingency Reserve definition allows for Firm Demand to be used for Contingency Reserve during an EEA
- Addresses multiple contingencies

Definitions: Modified Contingency Reserve

Contingency Reserve: The provision of capacity that may be deployed by the Balancing Authority to respond to a Balancing Contingency Event and other contingency requirements (such as Energy Emergency Alerts as specified in the associated EOP standard).

- A Balancing Authority may include in its restoration of Contingency Reserve readiness to reduce Firm Demand and include it if, and only if, the Balancing Authority:
 - is experiencing a Reliability Coordinator declared Energy Emergency Alert level, and
 - is utilizing its Contingency Reserve to mitigate an operating emergency in accordance with its emergency Operating Plan.