

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

OFFICE OF ELECTRIC RELIABILITY

North American Electric Reliability Corporation  
Docket No. RD14-11-000

August 1, 2014

North American Electric Reliability Corporation  
1325 G Street N.W., Suite 600  
Washington, D.C. 20005

Attention: Stacey Tyrewala  
Senior Counsel for North American Electric Reliability Corporation

Reference: Petition of the North American Electric Reliability Corporation for  
Approval of Proposed Reliability Standards for Voltage Reactive Control  
and Generator Operation for Maintaining Network Voltage Schedules

Dear Ms. Tyrewala:

On June 9, 2014, the North American Electric Reliability Corporation (NERC) filed a petition (Petition) seeking approval of revised Reliability Standards VAR-001-4 (Voltage and Reactive Control) and VAR-002-3 (Generator Operation for Maintaining Network Voltage Schedules), the associated implementation plan, violation risk factors and violation security levels, and the retirement of currently effective Reliability Standards VAR-001-3 and VAR-002-2b.

The Petition states that the standard drafting team sought to modify the currently enforceable Reliability Standards VAR-001-3 and VAR-002-2b to improve the clarity, quality, and content of the standards<sup>1</sup> and that the proposed Reliability Standards are designed to prevent voltage instability and voltage collapse on the Bulk-Power System.<sup>2</sup> The Petition further states that proposed Reliability Standard VAR-001-4 sets forth the requirements applicable to transmission operators for scheduling, monitoring, and controlling reactive power resources in the real-time operations, same-day operations,

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<sup>1</sup> NERC Petition at 15.

<sup>2</sup> *Id.* at 4.

and operational planning time horizons to regulate voltage and reactive power flows for the reliable operation of the Bulk-Power System; and proposed VAR-002-3 sets forth the requirements applicable to generator operators and generator owners for providing the necessary reactive support and voltage control necessary to maintain reliable operations.<sup>3</sup>

Reliability Standard VAR-001-4 requires each transmission operator to specify a system-wide voltage schedule as part of its plan to operate within system operating limits (SOLs) and interconnection reliability operating limits (IROLs), and to provide the voltage schedule to its reliability coordinator and adjacent transmission operators upon request. In addition, Reliability Standard VAR-001-4 requires each transmission operator to schedule sufficient reactive resources to regulate voltage levels, and operate or direct the operation of devices to regulate transmission voltage and reactive flows.

Reliability Standard VAR-002-3 requires each generator operator to operate each of its generators connected to the interconnected transmission system in automatic voltage control mode or in a different control mode as instructed by the transmission operator, unless the generator operator is exempted by the transmission operator pursuant to the criteria developed under Reliability Standard VAR-001-4, or makes certain notifications to the transmission operator specifying the reasons it cannot so operate. Reliability Standard VAR-002-3 also requires each generator operator to maintain the transmission operator's generator voltage or reactive power schedule, except in specified circumstances. In addition, Reliability Standard VAR-002-3 requires each generator operator to notify the transmission operator of a change in status of its voltage controlling device within 30 minutes, unless the status is restored within that time period. Finally, proposed Reliability Standard VAR-002-3 requires each generator owner to provide information on its step-up transformers and auxiliary transformers within 30 days of a request from the transmission operator or transmission planner.

NERC's filing was noticed on June 12, 2014, with interventions, comments, and protests due on or before July 14, 2014. No interventions, comments or protests were filed.

NERC's uncontested filing is hereby approved pursuant to the relevant authority delegated to the Director, Office of Electric Reliability under 18 C.F.R. § 375.303, effective as of the date of this Order.

This action shall not be construed as approving any other application, including proposed revisions of Electric Reliability Organization or Regional Entity rules or procedures pursuant to 18 C.F.R. § 375.303(a)(2)(i). Such action shall not be deemed as recognition of any claimed right or obligation associated therewith and such action is without prejudice to any findings or orders that have been or may hereafter be made by

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<sup>3</sup> *Id.* at 4.

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the Commission in any proceeding now pending or hereafter instituted by or against the Electric Reliability Organization or any Regional Entity.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Michael Bardee, Director  
Office of Electric Reliability

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