

JIITF White Paper Summary

The settlement of the “energy component” of unscheduled energy is considered a business practice and should be addressed by an organization developing business practice standards.

The JIITF believes properly addressing the “Frequency Component” of unscheduled energy ...will incorporate allowances for reasonable variations in generation control...

Transmission Control aspects of reliability are discussed and remain to be addressed locally, while Interconnections frequency aspects of reliability are addressed specifically.

The proposed JIITF solution to the OC charge is three-fold: 1) A transmission use component of existing Inadvertent Interchange is recommended to be included in **any congestion** management standard developed to be consistent with local transmission market designs; 2) A frequency control component of existing Inadvertent Interchange is recommended to be a stand-alone standard, **treated as an obligatory reliability service**; and 3) An energy component of existing inadvertent Interchange is recommended to be a **stand-alone standard**, treated as a commodity.

The proposed frequency control service realizes that some amount of frequency error is inevitable. However, frequency control is a reliability obligation and whoever uses this service should compensate the entity that supplied it as **Inadvertent**.

Inadvertent as a result of “good” control should receive an incentive. Inadvertent as the result of “bad” control should receive a penalty.

JIITF recommends local standards for Inadvertent transmission use, one standard for Inadvertent frequency control and one standard for the Inadvertent energy component, thus satisfying the two OC criteria.

The proposed standard addressing frequency control contribution will not preclude a Balancing Authority from experiencing reasonable variations in generation control. The proposed standard addressing energy component will not restrict variation in generation control.

The task force reached a major milestone when it decided by general consensus to separate the reliability components (transmission loading and frequency control) from the commodity component (energy).

The Inadvertent Frequency Control Component is viewed by the JIITF to be an obligatory reliability service. The JIITF recommends a Frequency Control Contribution Standard. In line with other control obligation services, frequency control is recommended by the JIITF to be treated as an Interconnected Operations (ancillary) Service. (reference to H. Illion’s FCC metric priced by the Blohm formula).

The Inadvertent energy component is considered a market commodity that has reliability implications. The JIITF recommends an Inadvertent Standard that defines Inadvertent, determines the Inadvertent calculation, and allows for alternate Inadvertent settlement mechanisms.

Balance Resources and Demand Standard – Deals with frequency. Three limits: 1. trigger limit 2. frequency abnormal limit 3. relay limit. Each limit is a step toward greater degeneration. Creates a frequency band width. Difficulty translating for Balancing authorities between ACE and frequency. Standard Drafting team did not want violation of the standard to be a business practices (i.e. NAESB) issue. Although not adverse to a self developed market (such as NOX credits). –Raymond Vice, Chair (SOCO)