

RTO West Ancillary Services Task Force
“Ancillary Services from Suppliers External to RTO West”
October 17, 2002 – Jon Kaake

Background:

At the October 16-17, 2002 meeting of the RTO West Market Design Workgroup, discussions arose on the needs for RTO West to consider locational aspects related to Ancillary Services (AS). A specific question arose concerning the requirements for suppliers of Interconnected Operation Services (IOS), notably suppliers of Regulation IOS, to be within the boundary of RTO West's control area. Similar questions arose for the external supply of Operating Reserves, both spinning and non-spinning.

Discussion:

Most Northwest utilities are familiar with load controlling on units at the Mid-Columbia Projects. Usually the Mid-Columbia project participants also hold some amounts of contingency reserves at the Mid-C.

Arguably, these services would be crossing control area boundaries, except for telemetry which “moves” these shares of generation into the respective control areas of the participants, or, in another view, the participant's control areas are effectively expanded onto the Mid-C bus. Some participants use dynamic scheduling across third party transmission systems to effect these transfers.

In this manner, RTO West could also utilize telemetry to “move” ancillary services into its control area from an adjacent control area. As an alternative, RTO West can establish dynamic schedules from an adjacent control area, again via telemetry, to achieve this purpose. PacifiCorp currently uses a dynamic schedule to share reserve, including regulating reserve, between its Eastern and Western control areas.

NERC's view of these practices can be found in a paper entitled “Interpretation of Policy 1, Re: Operating Reserves from Other Control Areas”, approved by the NERC Operating committee in March of 2001. This paper can be found here:

<http://www.nerc.com/~oc/pds.html>

From the discussion in that paper: “The Policy explains that REGULATING RESERVE relies on generation that is responsive to AGC. This can be done across CONTROL AREA boundaries by supplying a dynamic signal to the CONTROL AREA supplying the regulation service.”

And further: “...we believe that this can include resources that are located in other CONTROL AREAS that can be made available under an operating agreement and in such a way as to allow the receiving CONTROL AREA to comply with NERC Operating Practices and Standards. This also means that the CONTROL AREA supplying these reserves and the CONTROL AREA purchasing these reserves must have suitable transmission arrangements to ensure that the reserves can be properly deployed.”