A. Introduction

1. Title: **Implementation of Interchange**

2. Number: **INT-009-2**

3. Purpose: To ensure that Balancing Authorities implement the Interchange as agreed upon in the Interchange confirmation process.

4. Applicability:

4.1. Balancing Authority.

5. Effective Date:

The first day of the first calendar quarter that is six months after the date that this standard is approved by an applicable governmental authority or as otherwise provided for in a jurisdiction where approval by an applicable governmental authority is required for a standard to go into effect. Where approval by an applicable governmental authority is not required, the standard shall become effective on the first day of the first calendar quarter that is six months after the date this standard is adopted by the NERC Board of Trustees or as otherwise provided for in that jurisdiction.

6. Background:

This standard was revised as part of the Project 2008-12 Coordinate Interchange Standards effort to combine requirements from the various INT standards into a fewer number of standards and in a logical sequence. The focus of INT-009-2 continues to be the Balancing Authority to Balancing Authority Interchange confirmation process for Interchange Transactions prior to their implementation.

The Requirements in INT-009-2 have been expanded to include previous Measures from INT-009-1 and acknowledge Dynamic Schedules and Pseudo-Ties. A new term "Composite Confirmed Interchange" has been introduced.

The content of INT-009-2 has been revised and expanded in the following manner:

- R1 was combined with INT-003-3 R1 and modified to ensure that a Balancing Authority agrees to a Composite Confirmed Interchange with each of its Adjacent Balancing Authorities.
- R2 was created to ensure that Adjacent Balancing Authorities incorporating a Pseudo-Tie agree to a common source for their Actual Net Interchange term for their ACE controls.
- R3 was created by revising R1.2 from INT-003-3. This requirement ensures that the Balancing Authority that controls a high-voltage direct current tie coordinates the Confirmed Interchange.

B. Requirements and Measures

R1. Each Balancing Authority shall agree with each of its Adjacent Balancing Authorities that its Composite Confirmed Interchange with that Adjacent Balancing Authority, at mutually agreed upon time intervals, excluding Dynamic Schedules and Pseudo-Ties and including any Interchange per INT-010-2 not yet captured in the Composite Confirmed Interchange, is: [*Violation Risk Factor: Medium*] [*Time Horizon: Real-time Operations*]

1.1. Identical in magnitude to that of the Adjacent Balancing Authority, and

1.2. Opposite in sign or direction to that of the Adjacent Balancing Authority.

M1. The Balancing Authority shall have evidence (such as dated logs, voice recordings, electronic records, or other evidence) that its Composite Confirmed Interchange, excluding Dynamic Schedules and Pseudo-Ties and including any Interchange as directed per INT-010-2 not yet captured in the Composite Confirmed Interchange, was agreed to by each Adjacent Balancing Authority, identical in magnitude to those of each Adjacent Balancing Authority, and opposite in sign to that of each Adjacent Balancing Authority. (R1)

R2. The Attaining Balancing Authority and the Native Balancing Authority shall use a dynamic value emanating from an agreed upon common source to account for the Pseudo-Tie in the Actual Net Interchange (NI_A) term of their respective control ACE (or alternate control process). [*Violation Risk Factor: Medium*] [*Time Horizon: Real-time Operations*]

M2. The Balancing Authority shall have evidence (such as dated logs, voice recordings, electronic records, written agreement or other evidence) that it used a dynamic value emanating from an agreed upon common source to account for the Pseudo-Tie in the Actual Net Interchange (NI_A) term of their respective control ACE (or alternate control process). (R2)

R3. Each Balancing Authority in whose area the high-voltage direct current tie is controlled shall coordinate the Confirmed Interchange prior to its implementation with the Transmission Operator of the high-voltage direct current tie. [*Violation Risk Factor: Medium*] [*Time Horizon: Real-time Operations, Operations Planning*]

M3. The Balancing Authority shall have evidence (such as dated logs, electronic records, or other evidence) that it coordinated the Confirmed Interchange prior to its implementation with the Transmission Operator of the high-voltage direct current tie. (R3)

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority

Regional Entity

1.2. Evidence Retention

The Balancing Authority shall keep data or evidence to show compliance as identified below unless directed by its Compliance Enforcement Authority (CEA) to retain specific evidence for a longer period of time as part of an investigation. For instances where the evidence retention period specified below is shorter than the time since the last audit, the CEA may ask an entity to provide other evidence to show that it was compliant for the full time period since the last audit.

- The Balancing Authority shall maintain evidence to show compliance with R1, R2 and R3 for the most recent 3 months plus the current month.

If a Balancing Authority is found non-compliant, it shall keep information related to the non-compliance until found compliant.

The Compliance Enforcement Authority shall keep the last audit records and all requested and submitted subsequent audit records.

1.3. Compliance Monitoring and Assessment Processes:

Compliance Audit

Self-Certification

Spot Checking

Compliance Investigation

Self-Reporting

Complaint

1.4. Additional Compliance Information

None

Table of Compliance Elements

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R1	Real-time Operations	Medium	N/A	N/A	N/A	The Balancing Authority did not reach agreement with an Adjacent Balancing Authority on the magnitude or sign of its Composite Confirmed Interchange, at mutually agreed upon time intervals, excluding Dynamic Schedules and Pseudo-Ties and including any Interchange per INT-010-2 not yet captured in the Composite Confirmed Interchange.
R2	Real-time Operations	Medium	N/A	N/A	N/A	The Balancing Authority failed to use a dynamic value emanating from an agreed upon common source to account for the Pseudo-Tie in the Actual Net Interchange (NI_A) term of their respective control ACE (or alternate control process).
R3	Real-time Operations, Operations Planning	Medium	N/A	N/A	N/A	The Balancing Authority failed to coordinate the Confirmed Interchange prior to its implementation with the Transmission Operator of the high-voltage direct current tie.

D. Regional Variances

None.

E. Interpretations

None.

F. Associated Documents

None.

Guidelines and Technical Basis

Rationale:

During development of this standard, text boxes were embedded within the standard to explain the rationale for various parts of the standard. Upon BOT approval, the text from the rationale text boxes was moved to this section.

Rationale for R2: R12.3 of BAL-005-2b addresses common metering for Dynamic Schedules and Pseudo-Ties but not their implementation into ACE. Requirement R2 is parallel to R10 of BAL-005-2b which only addresses Dynamic Schedules. Presently, there is a gap in the BAL standards that this requirement fills for Pseudo-Ties.

Version History

Version	Date	Action	Change Tracking
0	April 1, 2005	Effective Date	New
1	May 2, 2006	Adopted by the NERC Board of Trustees	Revised
2	February 6, 2014	Adopted by the NERC Board of Trustees	Revised
2	June 30, 2014	FERC letter order issued approving INT-009-2	

Appendix QC-INT-009-2
Provisions specific to the standard INT-009-2 applicable in Québec

This appendix establishes specific provisions for the application of the standard in Québec. Provisions of the standard and of its appendix must be read together for the purposes of understanding and interpretation. Where the standard and appendix differ, the appendix shall prevail.

A. Introduction

1. Title: Implementation of Interchange

2. Number: INT-009-2

3. Purpose: No specific provision

4. Applicability: No specific provision

5. Effective Date:

5.1. Adoption of the standard by the Régie de l'énergie: February 3, 2017

5.2. Adoption of the appendix by the Régie de l'énergie: February 3, 2017

5.3. Effective date of the standard and its appendix in Québec: April 1, 2017

B. Requirements and measures

No specific provision

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement authority

The Régie de l'énergie is responsible, in Québec, for compliance monitoring with respect to the reliability standard and its appendix that it adopts.

1.2. Evidence Retention

No specific provision

1.3. Compliance Monitoring and assessment Processes

No specific provision

1.4. Additional Compliance Information

No specific provision

Table of Compliance Elements

No specific provision

D. Regional Variances

No specific provision

E. Interpretations

No specific provision

F. Associated Documents

No specific provision

Appendix QC-INT-009-2
Provisions specific to the standard INT-009-2 applicable in Québec

Guidelines and Technical Basis

No specific provision

Version History

Revision	Adoption Date	Action	Change Tracking
0	February 3 2017	New appendix	New