

A. Introduction

1. **Title:** Generator Operation for Maintaining Network Voltage Schedules
2. **Number:** VAR-002-4.1
3. **Purpose:** To ensure generators provide reactive support and voltage control, within generating Facility capabilities, in order to protect equipment and maintain reliable operation of the Interconnection.
4. **Applicability:**
 - 4.1. Generator Operator
 - 4.2. Generator Owner
5. **Effective Dates**

See Implementation Plan.

B. Requirements and Measures

- R1.** The Generator Operator shall operate each generator connected to the interconnected transmission system in the automatic voltage control mode (with its automatic voltage regulator (AVR) in service and controlling voltage) or in a different control mode as instructed by the Transmission Operator unless: 1) the generator is exempted by the Transmission Operator, or 2) the Generator Operator has notified the Transmission Operator of one of the following:
[Violation Risk Factor: Medium] [Time Horizon: Real-time Operations]
- That the generator is being operated in start-up,¹ shutdown,² or testing mode pursuant to a Real-time communication or a procedure that was previously provided to the Transmission Operator; or
 - That the generator is not being operated in automatic voltage control mode or in the control mode that was instructed by the Transmission Operator for a reason other than start-up, shutdown, or testing.
- M1.** The Generator Operator shall have evidence to show that it notified its associated Transmission Operator any time it failed to operate a generator in the automatic voltage control mode or in a different control mode as specified in Requirement R1. If a generator is being started up or shut down with the automatic voltage control off, or is being tested, and no notification of the AVR status is made to the Transmission Operator, the Generator Operator will have evidence that it notified the Transmission Operator of its procedure for placing the unit into automatic voltage control mode as required in Requirement R1. Such evidence may include, but is not limited to, dated evidence of transmittal of the procedure such as an electronic message or a transmittal letter with the procedure included or attached. If a generator is exempted, the Generator Operator shall also have evidence that the generator is exempted from being in automatic voltage control mode (with its AVR in service and controlling voltage).

¹ Start-up is deemed to have ended when the generator is ramped up to its minimum continuously sustainable load and the generator is prepared for continuous operation.

² Shutdown is deemed to begin when the generator is ramped down to its minimum continuously sustainable load and the generator is prepared to go offline.

- R2.** Unless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power schedule³ (within each generating Facility's capabilities⁴) provided by the Transmission Operator, or otherwise shall meet the conditions of notification for deviations from the voltage or Reactive Power schedule provided by the Transmission Operator. *[Violation Risk Factor: Medium] [Time Horizon: Real-time Operations]*
- 2.1.** When a generator's AVR is out of service or the generator does not have an AVR, the Generator Operator shall use an alternative method to control the generator reactive output to meet the voltage or Reactive Power schedule provided by the Transmission Operator.
- 2.2.** When instructed to modify voltage, the Generator Operator shall comply or provide an explanation of why the schedule cannot be met.
- 2.3.** Generator Operators that do not monitor the voltage at the location specified in their voltage schedule shall have a methodology for converting the scheduled voltage specified by the Transmission Operator to the voltage point being monitored by the Generator Operator.
- M2.** In order to identify when a generator is deviating from its schedule, the Generator Operator will monitor voltage based on existing equipment at its Facility. The Generator Operator shall have evidence to show that the generator maintained the voltage or Reactive Power schedule provided by the Transmission Operator, or shall have evidence of meeting the conditions of notification for deviations from the voltage or Reactive Power schedule provided by the Transmission Operator.
- Evidence may include, but is not limited to, operator logs, SCADA data, phone logs, and any other notifications that would alert the Transmission Operator or otherwise demonstrate that the Generator Operator complied with the Transmission Operator's instructions for addressing deviations from the voltage or Reactive Power schedule.
- For Part 2.1, when a generator's AVR is out of service or the generator does not have an AVR, a Generator Operator shall have evidence to show an alternative method was used to control the generator reactive output to meet the voltage or Reactive Power schedule provided by the Transmission Operator.
- For Part 2.2, the Generator Operator shall have evidence that it complied with the Transmission Operator's instructions to modify its voltage or provided an explanation to the Transmission Operator of why the Generator Operator was unable to comply with the instruction. Evidence may include, but is not limited to, operator logs, SCADA data, and phone logs.
- For Part 2.3, for Generator Operators that do not monitor the voltage at the location specified on the voltage schedule, the Generator Operator shall demonstrate the methodology for converting the scheduled voltage specified by the Transmission Operator to the voltage point being monitored by the Generator Operator.

³ The voltage or Reactive Power schedule is a target value with a tolerance band or a voltage or Reactive Power range communicated by the Transmission Operator to the Generator Operator.

⁴ Generating Facility capability may be established by test or other means, and may not be sufficient at times to pull the system voltage within the schedule tolerance band. Also, when a generator is operating in manual control, Reactive Power capability may change based on stability considerations.

- R3.** Each Generator Operator shall notify its associated Transmission Operator of a status change on the AVR, power system stabilizer, or alternative voltage controlling device within 30 minutes of the change. If the status has been restored within 30 minutes of such change, then the Generator Operator is not required to notify the Transmission Operator of the status change. *[Violation Risk Factor: Medium] [Time Horizon: Real-time Operations]*
- M3.** The Generator Operator shall have evidence it notified its associated Transmission Operator within 30 minutes of any status change identified in Requirement R3. If the status has been restored within the first 30 minutes, no notification is necessary.
- R4.** Each Generator Operator shall notify its associated Transmission Operator within 30 minutes of becoming aware of a change in reactive capability due to factors other than a status change described in Requirement R3. If the capability has been restored within 30 minutes of the Generator Operator becoming aware of such change, then the Generator Operator is not required to notify the Transmission Operator of the change in reactive capability. *[Violation Risk Factor: Medium] [Time Horizon: Real-time Operations]*
- Reporting of status or capability changes as stated in Requirement R4 is not applicable to the individual generating units of dispersed power producing resources identified through Inclusion I4 of the Bulk Electric System definition.
- M4.** The Generator Operator shall have evidence it notified its associated Transmission Operator within 30 minutes of becoming aware of a change in reactive capability in accordance with Requirement R4. If the capability has been restored within the first 30 minutes, no notification is necessary.
- R5.** The Generator Owner shall provide the following to its associated Transmission Operator and Transmission Planner within 30 calendar days of a request. *[Violation Risk Factor: Lower] [Time Horizon: Real-time Operations]*
- 5.1.** For generator step-up and auxiliary transformers⁵ with primary voltages equal to or greater than the generator terminal voltage:
- 5.1.1.** Tap settings.
 - 5.1.2.** Available fixed tap ranges.
 - 5.1.3.** Impedance data.
- M5.** The Generator Owner shall have evidence it provided its associated Transmission Operator and Transmission Planner with information on its step-up and auxiliary transformers as required in Requirement R5, Part 5.1.1 through Part 5.1.3 within 30 calendar days.

⁵ For dispersed power producing resources identified through Inclusion I4 of the Bulk Electric System definition, this requirement applies only to those transformers that have at least one winding at a voltage of 100 kV or above.

- R6.** After consultation with the Transmission Operator regarding necessary step-up transformer tap changes, the Generator Owner shall ensure that transformer tap positions are changed according to the specifications provided by the Transmission Operator, unless such action would violate safety, an equipment rating, a regulatory requirement, or a statutory requirement.
[Violation Risk Factor: Lower] [Time Horizon: Real-time Operations]
- 6.1.** If the Generator Owner cannot comply with the Transmission Operator’s specifications, the Generator Owner shall notify the Transmission Operator and shall provide the technical justification.
- M6.** The Generator Owner shall have evidence that its step-up transformer taps were modified per the Transmission Operator’s documentation in accordance with Requirement R6. The Generator Owner shall have evidence that it notified its associated Transmission Operator when it could not comply with the Transmission Operator’s step-up transformer tap specifications in accordance with Requirement R6, Part 6.1.

C. Compliance

1. Compliance Monitoring Process:

1.1. Compliance Enforcement Authority:

As defined in the NERC Rules of Procedure, “Compliance Enforcement Authority” refers to NERC or the Regional Entity in their respective roles of monitoring and enforcing compliance with the NERC Reliability Standards.

1.2. Evidence Retention:

The following evidence retention periods identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the Compliance Enforcement Authority may ask an entity to provide other evidence to show that it was compliant for the full time period since the last audit.

The Generator Owner shall keep its latest version of documentation on its step-up and auxiliary transformers. The Generator Operator shall maintain all other evidence for the current and previous calendar year.

The Compliance Monitor shall retain any audit data for three years.

1.3. Compliance Monitoring and Assessment Processes:

“Compliance Monitoring and Assessment Processes” refers to the identification of the processes that will be used to evaluate data or information for the purpose of assessing performance or outcomes with the associated reliability standard.

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	Unless exempted, the Generator Operator did not operate each generator connected to the interconnected transmission system in the automatic voltage control mode or in a different control mode as instructed by the Transmission Operator, and failed to provide the required notifications to Transmission Operator as identified in Requirement R1.

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R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R2	Real-time Operations	Medium	N/A	N/A	<p>The Generator Operator did not have a conversion methodology when it monitors voltage at a location different from the schedule provided by the Transmission Operator.</p> <p>OR</p> <p>The Generator Operator did not maintain the voltage or Reactive Power schedule as instructed by the Transmission Operator and did not make the necessary notifications required by the Transmission Operator.</p> <p>OR</p> <p>The Generator Operator did not have an operating AVR, and the responsible entity did not use an alternative method for controlling voltage.</p> <p>OR</p> <p>The Generator Operator did not modify voltage when directed, and the responsible entity did not provide any explanation.</p>	
R3	Real-time Operations	Medium	N/A	N/A	N/A	<p>The Generator Operator did not make the required notification within 30 minutes of the status change.</p>

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R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R4	Real-time Operations	Medium	N/A	N/A	N/A	The Generator Operator did not make the required notification within 30 minutes of becoming aware of the capability change.
R5	Real-time Operations	Lower	N/A	N/A	The Generator Owner failed to provide its associated Transmission Operator and Transmission Planner one of the types of data specified in Requirement R5 Parts 5.1.1, 5.1.2, and 5.1.3.	The Generator Owner failed to provide to its associated Transmission Operator and Transmission Planner two or more of the types of data specified in Requirement R5 Parts 5.1.1, 5.1.2, and 5.1.3.

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R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R6	Real-time Operations	Lower	N/A	N/A	N/A	<p>The Generator Owner did not ensure the tap changes were made according the Transmission Operator’s specifications.</p> <p>OR</p> <p>The Generator Owner failed to perform the tap changes, and the Generator Owner did not provide technical justification for why it could not comply with the Transmission Operator specifications.</p>

D. Regional Variances

None.

E. Interpretations

None.

F. Associated Documents

None.

Version History

Version	Date	Action	Change Tracking
1	5/1/2006	Added "(R2)" to the end of levels on non-compliance 2.1.2, 2.2.2, 2.3.2, and 2.4.3.	July 5, 2006
1a	12/19/2007	Added Appendix 1 – Interpretation of R1 and R2 approved by BOT on August 1, 2007	Revised
1a	1/16/2007	In Section A.2., Added "a" to end of standard number. Section F: added "1."; and added date.	Errata
1.1a	10/29/2008	BOT adopted errata changes; updated version number to "1.1a"	Errata
1.1b	3/3/2009	Added Appendix 2 – Interpretation of VAR-002-1.1a approved by BOT on February 10, 2009	Revised
2b	4/16/2013	Revised R1 to address an Interpretation Request. Also added previously approved VRFs, Time Horizons and VSLs. Revised R2 to address consistency issue with VAR-001-2, R4. FERC Order issued approving VAR-002-2b.	Revised
3	5/5/2014	Revised under Project 2013-04 to address outstanding Order 693 directives.	Revised
3	5/7/2014	Adopted by NERC Board of Trustees	
3	8/1/2014	Approved by FERC in docket RD14-11-000	
4	8/27/2014	Revised under Project 2014-01 to clarify applicability of Requirements to	Revised

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		BES dispersed power producing resources.	
4	11/13/2014	Adopted by NERC Board of Trustees	
4	5/29/2015	FERC Letter Order in Docket No. RD15-3-000 approving VAR-002-4	
4.1	June 14, 2017	Project 2016-EPR-02 errata recommendations	Errata
4.1	August 10, 2017	Adopted by the NERC Board of Trustees	Errata
4.1	September 26, 2017	FERC Letter Order issued approving VAR-002-4.1 RD17-7-000	

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 R1:

This requirement has been maintained due to the importance of running a unit with its automatic voltage regulator (AVR) in service and in either voltage controlling mode or the mode instructed by the TOP. However, the requirement has been modified to allow for testing, and the measure has been updated to include some of the evidence that can be used for compliance purposes.

Rationale for R2:

Requirement R2 details how a Generator Operator (GOP) operates its generator(s) to provide voltage support and when the GOP is expected to notify the Transmission Operator (TOP). In an effort to remove prescriptive notification requirements for the entire continent, the VAR-002-3 standard drafting team (SDT) opted to allow each TOP to determine the notification requirements for each of its respective GOPs based on system requirements. Additionally, a new Part 2.3 has been added to detail that each GOP may monitor voltage by using its existing facility equipment.

Conversion Methodology: There are many ways to convert the voltage schedule from one voltage level to another. Some entities may choose to develop voltage regulation curves for their transformers; others may choose to do a straight ratio conversion; others may choose an entirely different methodology. All of these methods have technical challenges, but the studies performed by the TOP, which consider N-1 and credible N-2 contingencies, should compensate for the error introduced by these methodologies, and the TOP possesses the authority to direct the GOP to modify its output if its performance is not satisfactory. During a significant system event, such as a voltage collapse, even a generation unit in automatic voltage control that controls based on the low-side of the generator step-up transformer should see the event on the low-side of the generator step-up transformer and respond accordingly.

Voltage Schedule Tolerances: The bandwidth that accompanies the voltage target in a voltage schedule should reflect the anticipated fluctuation in voltage at the GOP's Facility during normal operations and be based on the TOP's assessment of N-1 and credible N-2 system contingencies. The voltage schedule's bandwidth should not be confused with the control dead-band that is programmed into a GOP's AVR control system, which should be adjusting the AVR prior to reaching either end of the voltage schedule's bandwidth.

Rationale for R3:

This requirement has been modified to limit the notifications required when an AVR goes out of service and quickly comes back in service. Notifications of this type of status change provide little to no benefit to reliability. Thirty (30) minutes have been built into the requirement to allow a GOP time to resolve an issue before having to notify the TOP of a status change. The requirement has

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also been amended to remove the sub-requirement to provide an estimate for the expected duration of the status change.

Rationale for R4:

This requirement has been bifurcated from the prior version VAR-002-2b Requirement R3. This requirement allows GOPs to report reactive capability changes after they are made aware of the change. The current standard requires notification as soon as the change occurs, but many GOPs are not aware of a reactive capability change until it has taken place.

Rationale for Exclusion in R4:

VAR-002 addresses control and management of reactive resources and provides voltage control where it has an impact on the BES. For dispersed power producing resources as identified in Inclusion I4, Requirement R4 should not apply at the individual generator level due to the unique characteristics and small scale of individual dispersed power producing resources. In addition, other standards such as proposed TOP-003 require the Generator Operator to provide Real-time data as directed by the TOP.

Rationale for R5:

This requirement and corresponding measure have been maintained due to the importance of having accurate tap settings. If the tap setting is not properly set, then the VARs available from that unit can be affected. The prior version of VAR-002-2b, Requirement R4.1.4 (the +/- voltage range with step-change in % for load-tap changing transformers) has been removed. The percentage information was not needed because the tap settings, ranges and impedance are required. Those inputs can be used to calculate the step-change percentage if needed.

Rationale for Exclusion in R5:

The Transmission Operator and Transmission Planner only need to review tap settings, available fixed tap ranges, impedance data and the +/- voltage range with step-change in % for load-tap changing transformers on main generator step-up unit transformers which connect dispersed power producing resources identified through Inclusion I4 of the Bulk Electric System definition to their transmission system. The dispersed power producing resources individual generator transformers are not intended, designed or installed to improve voltage performance at the point of interconnection. In addition, the dispersed power producing resources individual generator transformers have traditionally been excluded from Requirement R4 and R5 of VAR-002-2b (similar requirements are R5 and R6 for VAR-002-3), as they are not used to improve voltage performance at the point of interconnection.

Rationale for R6:

This requirement and corresponding measure have been maintained due to the importance of having accurate tap settings. If the tap setting is not properly set, then the VARs available from that unit can be affected.

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Specific provisions applicable in Québec for standard VAR-002-4.1 – Generator Operation for Maintaining Network Voltage Schedules

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

A. Introduction

1. **Title:** No specific provisions.

2. **Number:** No specific provisions.

3. **Purpose:** No specific provisions.

4. **Applicability:**

No specific provisions in regard to the applicable entities.

The Facilities subject to this Standard are the Facilities of the Main Transmission System (RTP).

5. **Effective date:**

5.1. Adoption of the standard by the Régie de l'énergie: October 8, 2020

5.2. Adoption of this appendix by the Régie de l'énergie: October 8, 2020

Effective date of the standard and of this appendix in Québec: January 1, 2021

B. Requirements and Measures

Specific provision applicable to Requirement R2:

If the Generator Operator is also a Transmission Owner, replace only the text of Requirement R2, without changing parts 2.1 to 2.3, with the following:

- R2.** Unless exempted by the Transmission Operator, each Generator Operator shall maintain the generator voltage or Reactive Power schedule³ (within each generating Facility's capabilities⁴) provided by the Transmission Operator at the points of interconnection of its system to the Main Transmission System, or otherwise shall meet the conditions of notification for deviations from the voltage or Reactive Power schedule provided by the Transmission Operator.

Specific provision applicable to requirements R5 and R6:

Generator Owners are not required to comply with Requirement R5, and parts 5.1, 5.1.1, 5.1.2 and 5.1.3, or Requirement R6 and Part 6.1 given that the Transmission Operator will provide directives based on the voltage to be maintained on the transmission system.

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority

In Québec, "Compliance Enforcement Authority" means the Régie de l'énergie in its roles of monitoring and enforcing compliance with respect to the Reliability Standard and to this appendix.

1.2. Evidence Retention

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Specific provisions applicable in Québec for standard VAR-002-4.1 – Generator Operation for Maintaining Network Voltage Schedules

No specific provisions.

1.3. Compliance Monitoring and Assessment Processes

The Régie de l'énergie establishes the monitoring processes used to evaluate data or information for the purpose of determining compliance or non-compliance with the Reliability Standard and with this appendix.

1.4. Additional Compliance Information

No specific provisions.

Table of Compliance Elements

No specific provisions.

D. Regional Variances

No specific provisions.

E. Interpretations

No specific provisions.

F. Associated Documents

No specific provisions.

Guidelines and Technical Basis

No specific provisions.

Version history

Version	Date	Action	Change tracking
1	October 8, 2020	New appendix	New