

Business Practice Capacity and Energy Emergencies

1. Background

APS Transmission, as a Balancing Authority, has developed the following Business Practice in order to comply with NERC Standard EOP-002-2 – Capacity and Energy Emergencies.

2. Business Practice

- 2.1 In the event the APS Balancing Authority has determined that sufficient energy is or may become unavailable to serve load and maintain required reserves, the APS Balancing Authority may take any or all of the following actions in an attempt to alleviate the emergency condition:
 - 2.1.1 Direct the Purchasing Selling Entities (PSEs) serving load inside the APS Balancing Authority area to purchase specified quantities of power and/or energy for delivery at specified points on the APS transmission system or over specified paths into the APS Balancing Authority area. The PSE and APS transmission personnel are permitted to discuss the supply resources that may be available, specific products and product durations, and preferred delivery locations that could most reasonably and effectively alleviate the emergency condition. However, unless a Standards of Conduct emergency deviation has been declared, APS transmission personnel should not provide non-public transmission information during such discussions. Once the Balancing Authority has directed the purchase of power and/or energy, the PSEs shall immediately comply with the directive as required by EOP-002-2. The APS Balancing Authority may use any unreserved and/or unscheduled transmission on the APS transmission system to transmit the purchased power as needed.
 - 2.1.2 Direct PSEs serving load inside the APS Balancing Authority area to start and/or ramp specified generator(s) located inside the APS Balancing Authority which the PSE owns and/or controls. Such direction by the APS Balancing Authority may require the PSE to purchase natural gas or other fuel. The PSEs shall immediately comply with the directive as required by EOP-002-2. The APS Balancing Authority may use any unreserved and/or unscheduled transmission on the APS transmission system to transmit the purchased power as needed.
 - 2.1.3 Interrupt interruptible load and exports.
 - 2.1.4 Request emergency assistance from other Balancing Authorities.
 - 2.1.5 Reduce load through procedures such as public appeals and voltage reductions.
 - 2.1.6 Request the RDRC declare an Energy Emergency in accordance with Attachment 1 of NERC Standard EOP-002-2.
- 2.2 While the above steps are being taken, the APS Balancing Authority may issue a “Low Spin” Alert in accordance with SRSG Operating Procedure 11, section 5.1. The alert will prompt participating parties to review their resources to determine if any surplus Spinning or convertible Non-Spinning Reserve is available for sale.

- 2.3 In the event the APS Balancing Authority has exhausted the options listed above and the Energy Emergency has not been resolved or the above steps cannot be completed in sufficient time to resolve the emergency condition, the APS Balancing Authority shall implement the Electric Load Curtailment Plan as filed with Arizona Corporation Commission and shall request the RDRC declare an Energy Emergency in accordance with Attachment 1 of NERC Standard EOP-002-2.
- 2.4 The APS Balancing Authority may continue to implement any or all of the above listed options until such time as adequate energy is deliverable into the APS Balancing Authority area using normal operating procedures.
- 2.5 APS will report to FERC's Office of Electric Reliability pager system, emergency@ferc.gov, emergencies on the APS system.

These Business Practices describe general conditions and practices. There may be specific circumstances that require some variation from or are not addressed by these Business Practices.