

Recirculation Ballot Results — Project 2010-12 — Order 693 Directives

| Ballot Results | |
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| Ballot Name: | Project 2010-12: Order 693 Directives ¹ |
| Ballot Period: | 7/21/10 - 7/31/10 |
| Ballot Type: | Recirculation |
| Total # Votes: | 235 |
| Total Ballot Pool: | 295 |
| Quorum: | 79.66% |
| Weighted Segment Vote: | See below (multiple ballots) |
| Ballot Results: | The ballots have passed. |

| Paragraph | Directive Language | Weighted Segment Approval | Standard No. | RESPONSE TEAM COMMENTS |
|-----------|---|---------------------------|--------------|---|
| 321 | The Commission adopts the NOPR’s proposal to require the ERO to develop a modification to the Reliability Standard that refers to the ERO rather than to the NERC Operating Committee in Requirements R4.2 and R6.2. The ERO has the responsibility to assure the reliability of the Bulk-Power System and should be the entity that modifies the Disturbance Recovery Period as necessary. | 82.44% | BAL-002-1 | DELETED SENTENCES IN R4.2 AND R6.2 THAT ALLOWED CHANGES WITH OC APPROVAL. |
| 321 | As identified in the Applicability Issues section, the Commission directs the ERO to modify this Reliability Standard to substitute Regional Entity for regional reliability organization as the compliance monitor. | | BAL-002-1 | NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION |

¹ Conducted as multiple ballots

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| 577 | <p>A number of commenters agree that the TLR procedure is an inappropriate and ineffective tool for mitigating actual IROL violations or for use in emergency situations. On the other hand, International Transmission believes the TLR procedure can be an appropriate and effective tool to mitigate IROL violations or for use in emergency situations and MISO argues that operators should not be precluded from implementing the TLR procedure during emergencies. The Commission disagrees. As explained in the NOPR and in the Blackout Report, actions undertaken under the TLR procedure are not fast and predictable enough for use in situations in which an operating security limit is close to being, or actually is being, violated. As such the Commission cannot agree with International Transmission and MISO. However, the Commission agrees with APPA, EEI, Entergy and MidAmerican that the TLR procedure may be appropriate and effective for use in managing potential IROL violations. Accordingly, the Commission will maintain its direction that the ERO modify the Reliability Standard to ensure that the TLR procedure is not used to mitigate actual IROL violations.</p> | 96.60% | EOP-002-3 (No changes to standard) | NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION – BELIEVED TO ALREADY BE ADDRESSED IN IRO-006-4, SO NO CHANGES TO STANDARD NEEDED. |
| 582 | <p>Accordingly, the Commission directs that the ERO, through the Reliability Standards development process, address ISO-NE’s concern.</p> <p>579. ISO-NE states that Requirement R2 essentially requires the same actions covered by ISO-NE Operating Procedure No. 4. ISO-NE is concerned that a strict approach to auditing compliance with the Reliability Standard could result in a finding that ISO-NE was in violation of the Reliability Standard if it skipped a particular action under its emergency plan even though that action was not called for under ISO-NE procedures. ISO-NE requests that the Commission direct NERC to clarify that a system operator has discretion not to implement every action specified in its capacity and energy emergency plans when other appropriate actions are possible.</p> | 80.02% | EOP-002-3 | NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION FOR THIS PORTION OF PARAGRAPH 582. MODIFIED MEASURE M5 PER COMMENTERS SUGGESTIONS. |

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| 582 | Further, we direct the ERO to consider adding Measures and Levels of Non-Compliance in the Reliability Standard. | | EOP-002-3 | MODIFIED MEASURE M5 PER COMMENTERS SUGGESTIONS. |
| 693 | In addition, pursuant to section 215(d)(5) of the FPA and § 39.5(f) of our regulations, the Commission directs the ERO to develop a modification to FAC-002-0 through the Reliability Standards development process that amends Requirement R1.4 to require evaluation of system performance under both normal and contingency conditions by referencing TPL-001 through TPL-003. | 80.11% | FAC-002-1 | NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION |
| 1300 | The Commission directs the ERO to modify the title and purpose statement to remove the word “controllable.” We note that no commenter disagrees. | 96.17% | MOD-021-1 | NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION |
| 1469 | Further, as the ERO reviews this Reliability Standard in its five-year cycle of review, the Regional Entity, rather the regional reliability organization, should develop the procedures for corrective action plans. | 78.94% | PRC-004-2 | REFERENCES TO RRO IN R3 AND M3 CORRECTED. LSE AND TOP HAVE BEEN REMOVED. OTHERWISE, NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION. |
| 1469 | We direct the ERO to consider ISO-NE’s suggestion that LSEs and transmission operators should be included in the applicability section, in the Reliability Standards development process as it modifies PRC-004-1. | | PRC-004-2 | THESE CHANGES REMOVED FROM THE STANDARD. LSE AND TOP HAVE BEEN REMOVED. |
| 1858 | The Commission directs the ERO to address the reactive power requirements for LSEs on a comparable basis with purchasing-selling entities. | 74.65% | VAR-001-2 | NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION |
| 1879 | The Commission noted in the NOPR that in many cases, load response and demand-side investment can reduce the need for reactive power capability in the system. Based on this assertion, the Commission proposed to direct the ERO to include controllable load among the reactive resources to satisfy reactive requirements for incorporation into Reliability Standard VAR-001-1. | 72.85% | VAR-001-2 | LOAD SHEDDING REMOVED FROM R2, R5, AND R9. |

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| 1879 | <p>While we affirm this requirement, we expect the ERO to consider the comments of SoCal Edison with regard to reliability and SMA in its process for developing the technical capability requirements for using controllable load as a reactive resource in the applicable Reliability Standards.</p> <p>SMA notes that its members' facilities often include significant capacitor banks, and further, reducing load can reduce local reactive requirements.</p> <p>1878. SoCal Edison suggests caution regarding the Commission's proposal to include controllable load as a reactive resource. It agrees that, when load is reduced, voltage will increase and for that reason controllable load can lessen the need for reactive power. However, SoCal Edison believes that controllable load is typically an energy product and there are other impacts not considered by the Commission's proposal to include controllable load as a reactive resource. For example, activating controllable load for system voltage control lessens system demand, requiring generation to be backed down. It is not clear to SoCal Edison whether any consideration has been given to the potential reliability or commercial impacts of the Commission's proposal.</p> | | VAR-001-2 (No changes to standard) | LOAD SHEDDING REMOVED FROM R2, R5, AND R9. OTHERWISE, NO CHANGE FROM PREVIOUSLY BALLOTTED VERSION – RESPONSE TEAM BELIEVES NO CHANGES ARE NEEDED TO ADDRESS SOCIAL EDISON AND SMA COMMENTS |