

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Open Access Same-time Information) Docket No. RM95-9-003
System and Standards of Conduct)

NOTICE OF FILING AND REQUEST FOR COMMENTS ON REQUEST FOR
CLARIFICATION OF MASKING PROCEDURES AND PROPOSED INTERIM STEPS TO
IMPLEMENT ON-LINE NEGOTIATIONS AND POSTING OF DISCOUNTS

(July 15, 1997)

Compliance Date for Unmasking the Identities of Parties to
Transactions

On June 27, 1997, the OASIS How Working Group (How Group) filed a letter stating that there has been confusion in the electric industry as to whether unmasking the identities of parties to transactions, as required by Order No. 889-A, 1/ was to have been accomplished by the effective date of the order, May 13, 1997, or as part of the forthcoming revisions to the OASIS Standards and Protocols document. The How Group proposes that this requirement be implemented as soon as practical, but in no case later than August 31, 1997. The How Group argues that this date is appropriate given the industry's confusion on this issue and given that implementation of this requirement necessitated modification to OASIS software programs. 1/

After consideration of the How Group's request, we will grant the request that implementation of the requirements in Order No. 889-A to unmask information, previously required to be implemented by May 13, 1997, be implemented as soon as possible, but in no case later than August 31, 1997.

Unmasking Information on Source and Sink

- 1/ Open Access Same-Time Information System and Standards of Conduct, Order No. 889, FERC Stats. & Regs. ¶ 31,037, 61 FR ¶ 21,737 (1996), order on reh'g, Order No. 889-A, FERC Stats. & Regs. ¶ 31,049, 62 FR 12,484 (1997), reh'g pending.
- 2/ The same letter also contains a request to extend the due date for submittal of a revised OASIS Standards and Protocols document and for submittal of a report on OASIS Phase II implementation. These requests were granted in a separate notice.

The How Group also states that clarification is needed on whether the unmasking of information identifying source and sink ^{1/} is presently required, and if so, at what point in the reservation and scheduling process this information is to be disclosed.

The How Working Group's request for clarification states the positions of transmission providers and customers on the issue of unmasking source and sink information. However, the Commission needs to better understand the reasons for and against masking information on source and sink. For this reason, we invite interested persons to file with the Secretary written comments on this issue in accordance with the instructions provided below.

In addition to inviting a general discussion of this issue, we have some specific questions we would like to see addressed. For example, the comments should address the reasons why some transmission providers and customers consider this information to be business sensitive or confidential while others do not.

Source and sink information is important for determining the impact of a proposed transaction on the transmission grid. Masking this information limits public access to transmission related information. The comments should address whether public access to this information may harm competition and reduce efficiency, and if so, why. Also, the comments should address whether, if we allow source and sink information to be masked, competitors will be able to accurately estimate this information from other available data.

Additionally, the Commission is interested in better understanding the implications of masking source and sink information as the industry moves from contract path to flow-based methods of determining available transmission capability.

Proposed Interim Procedures to Implement On-line Price Negotiations and Disclosure of Discounts

The How Group's letter also responds to the request in Order No. 889-A that the group suggest ways to implement on-line price negotiation and disclosure of discounts using existing OASIS Phase I templates. The How Group's letter proposes:

^{3/} The location of the generating facility or facilities supplying the capacity and energy is the "source" and the location of the load ultimately served by the capacity and energy transmitted is the "sink". See § 17.2(iv) of the pro forma tariff. The two terms are used, but not defined, in the Standards and Protocols document, see § 4.3.5, and in the Data Element Dictionary accompanying Order No. 889, see 61 FR at 21,820.

On-line price negotiation is proposed in Phase 1 by allowing the customer to modify the *price* field when submitting a request to purchase transmission service using the *transrequest* template. This would require a minor change to most OASIS nodes. The provider response in the *transtatus* template would be *accepted* if the bid is approved and *denied* if the bid is not acceptable. The reason for denial would be shown in the *comments* field. The *transtatus* template would retain the customer's bid price as a permanent record, whether accepted or not. If the request is denied for price reasons, the customer could repeat the process by submitting a new request with a different price bid.

Disclosure of discounts given will be accomplished on an interim basis using the existing message template. A category called *discounts* will be added to Phase 1 OASIS to indicate messages which contain discount information. The provider will be required to indicate information such as *service type, path, POR, POD, customer name, price,* and terms of the discount. If a discount is given on a posted product, it is also required that the transmission provider change the posted offer price to match the discount.

The Commission requests comments as to the effectiveness of these procedures. We would like to know whether the proposed interim measures are sufficient to permit the on-line negotiation and the disclosure of discounts required by Order No. 889-A and, if not, what modifications are needed. Specifically, it is our understanding that in the proposed negotiation process the customer would place a bid in the price field of the *transrequest* template when submitting a request to purchase transmission service at a discount. The transmission provider would respond by either accepting or denying the request using the *transtatus* template. If the request is accepted the *transtatus* template would contain a permanent record of the discounted price and terms and conditions of the transaction. If the bid is rejected, the customer could make another bid using the *transrequest* template.

It is our understanding that before a discount is accepted on a posted product, the discounted price will be posted in the offer template. For both posted products and products in which customers have requested non-standard terms and conditions, the How Group proposes, on an interim basis, to use the existing message template to disclose discounts given.

The Commission also requests suggestions for any revisions to the Standards and Communication Protocols and data dictionary needed to implement the interim measures.

Instructions for Filing Written Comments

Written comments (an original and 14 paper copies and one copy on a computer diskette in Wordperfect 6.1 format or in ASCII format) must be received by the Commission on or before August 15, 1997. Comments must be filed with the Office of the Secretary and must contain a caption that references Docket No. RM95-9-003. All written comments will be placed in the Commission's public files and will be available for inspection or copying in the Commission's Public Reference Room during normal business hours. All comments received on diskette will be made available to the public on the Commission's electronic bulletin board (EBB).

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By direction of the Commission.

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Lois D. Cashell,
Secretary.