

July 29, 1999

Office of the Secretary  
Federal Energy Regulatory Commission  
888 First Street, N. E.  
Washington, DC 20426

**Reference: Regional Transmission Organizations, Docket No. RM99-2-000 Notice of Proposed Rulemaking, May 13, 1999**

**Subjects: 1. Standardizing transmission transactions between RTOs and their connected neighbors**  
**2. Timeline for changes required by OASIS standards to support RTOs**

Dear Mr. Boegers:

The OASIS How Working Group respectfully comments to the Federal Energy Regulatory Commission Notice of Proposed Rulemaking on Regional Transmission Organizations (RTOs).

The OASIS How Working Group understands the need for flexibility in the development of RTOs, since there are different regional backgrounds and differences in network topology. On the other hand, there is a need to have a vibrant commercial national market which requires some standardization for transmission and energy transactions between an RTO and its electrically connected neighbors. Without some level of standardization there is a concern that only a limited number of market participants, who could learn all the differences between RTOs or provide tools to negotiate transactions with multiple RTOs, can perform market transactions that can span multiple RTOs. This will limit competition in the national marketplace and require an unnecessary expense and burden on all transmission customers.

Therefore, where the Commission has a vision of the wholesale power market which results in encouragement and approval of variations in regional organizations and tariffs, they must at the same time and with the same certainty and enthusiasm seek ways to maintain a reasonable balance between regional variations and the need for interregional standards.

Likewise, where the Commission has a vision of open access information exchange, i.e., via OASIS, they must seek a balance between standards for information exchange in the pro forma market with information needs of the non proforma market.

It is difficult to develop detailed standards when the development of RTOs is still being formed, however, the OASIS How Working Group recommends, as a minimum, the following:

**I. Standardizing transmission transactions and Business Practices between each RTO and their connected neighbors**

With the exception of a single RTO encompassing all transmission assets of the eastern or western interconnected systems, both the reliability and commercial concerns in the assessment of transmission capability will require coordination between adjacent/neighbor RTOs and

transmission operators.

A. The OASIS How Working Group concurs with the Commission's conclusions that each RTO shall operate an OASIS node that complies with the FERC Orders 889 and 889A, 889B, and associated OASIS Standards and Communication Protocols (S&CP) and OASIS Business Practices (as approved).

B. The Commission is urged to continue promoting the need for wide-area coordination in the assessment of available transmission capability.

C. The Commission is encouraged to require that each RTO establish a coordinating committee, with their electrically-connected transmission operating neighbors and their transmission customers to provide an effective means to:

1. Coordinate the naming of interconnected facilities, sources, sinks, paths, points of receipt and/or delivery between the RTO and their neighbors
2. Coordinate the sharing of necessary data for the calculation of transmission capability on interconnected paths
3. Foster coordination with their neighbors in adopting standardized business practices

D. The Commission should also ensure that there is continued industry-wide coordination to:

1. Minimize impediments to inter-regional transactions through common definitions of:
  - Types of transmission and ancillary services offered
  - Curtailment priorities
  - Timing requirements for arrangement of transmission services
2. Promote common business practices to address reliability impacts on inter-regional transactions.

## **II. Timeline for OASIS standard changes required to support RTOs**

Finally, the How WG has a concern about the proposed timelines in the RTO NOPR. If the new RTO tariffs impose significant changes to the OASIS standards and current implementation processes underway (e.g., audit experiment and additional curtailment information), there may not be sufficient time to deliver and implement new OASIS RTO standards. Significant changes to the OASIS standards have been taking 18-24 months to develop, approve and implement. Under these timelines and given that RTO tariffs may not be available until at least the fourth quarter of 2000 or into 2001, a comprehensive revision and implementation in OASIS may not meet the in-service dates of new RTOs.

It does not seem appropriate that the operational status of an RTO should hinge on approval and implementation of new OASIS technical standards.

The Commission might consider, however, requiring RTO filings to address how securing transmission and ancillary services under the RTO might be accommodated using existing OASIS standards on an interim basis until such time as a comprehensive new set of standards are developed and approved. RTO filings should also be required to document necessary deviations from existing OASIS standards and procedures that may be accommodated in a revised OASIS S&CP filing.

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