

June 16, 2008

Mr. David R. Nevius
Senior Vice President Director of Reliability Assessments
North American Electric Reliability Corporation

Dear David:

Re: Request for Public Comment on TADS Phase II Preliminary Report and Manual

The IESO appreciates the opportunity to provide comments in response to NERC's solicitation for public comments¹ to the Transmission Availability Data System (TADS) Phase II Preliminary Report ("Report") that was approved by NERC's Planning Committee on March 13, 2008, and the Data Reporting Instruction Manual ("Manual"), dated April 4, 2008.

In the Report, the TADS Task Force explains that the legal basis for this data request, in the United States, is Section 1600 of NERC Rules of Procedure. It is further stated in the cover letter that non-US Transmission Owners who are also NERC members are required to comply with NERC's Rules of Procedure, and as such non-US Transmission Owners must also provide Phase II TADS data. The IESO submitted comments to NERC on July 3rd, 2007 in response to the May 21st request for comment on the proposed Section 1600 of NERC Rules of Procedure. In this submission, the IESO reminded NERC that requests for data or information from Ontario-based entities fall under the scope of the MOU signed in 2006 by the Ontario Energy Board (OEB) and NERC, and the MOU signed in 2006 by the IESO, NERC, NPCC CBRE and NPCC Inc. ("Ontario MOUs").

The Task Force explains that its objective is to define a uniform approach to reporting and measuring transmission availability and performance. They further explain that "[P]hase II was added as a result of discussions with officials of the U.S. Energy Information Administration (EIA) on May 16, 2007, and we are recommending it in order to have TADS serve as a single source to NERC and EIA for transmission outage data." With the implementation of TADS Phase II, the Task Force is hopeful that the need for mandatory reporting of similar data by US entities through the Energy Information Administration (EIA) 411 filings will be ultimately eliminated. In this regard, the IESO is supportive since duplicate reporting of data imposes a burden on all entities. More importantly, as stated in our July 3, 2007 comments to NERC, for Ontario the IESO will consider data requests that serve such purposes only² but we will do so in

¹ See NERC Request for Public Comment on TADS Report and Manual, dated June 28, 2007.

² TADS Phase II data is specifically being requested for EIA reporting.

consultation with our market participants³. Furthermore, as stated in our July 24, 2007 submission to NERC⁴ the IESO continues to support an effective international ERO. In this regard, the IESO will continue to provide NERC with data and information required to improve the reliability of the bulk power system.

Following are IESO responses to the specific questions posed.

1. If you are a Transmission Owner, do you currently collect Non-Automatic transmission outage data similar to Phase II TADS? If "yes," please explain.

Although the IESO is not itself a physical owner of the transmission assets in Ontario, it will in accordance with the above noted MOU, be the entity assuring and facilitating collection of the data from Ontario market participants, pursuant to the prescribed limitations of its use by NERC.

2. Is the data being requested reasonable and obtainable? See Sections 2 and 3 of the Phase II Report. If "no," please explain.

The IESO does not envisage major technical problems with providing the requested data, though we believe it will be relatively extensive and administratively burdensome for large transmission owners, due to the extensive number of planned outages in a given year.

In addition, the "Operational Outage Cause Codes" listed in Section 2.1.2 may not always be readily apparent or available to the Transmission Owners since such actions are taken at the request of and under the direction of the Transmission Operator (TOP), which in most cases may not be one and the same.

3. Planned Outages have a 30-minute outage exclusion that is stated as follows: "Outages of TADS Elements of 30 minutes or less duration resulting from switching steps or sequences that are performed in preparation or restoration of an outage of another TADS Element are not reportable." Please comment on the appropriateness of this exclusion.

The IESO agrees that this data be excluded as it: is administratively burdensome to include elements taken out of service for switching purposes only; skews the metrics; and serves no value in assessing reliability implications of the outage data.

While the 30-minute exclusion will reduce the number of reported outages, should all outage times be recorded in order to determine which outages can be excluded based upon the 30-minute limit? Should a TO's supporting data for determining exclusions be part of NERC's data review

³ During the Phase I discussions, EIA indicated that TADS would need to provide comparable Schedule 7 data specifically the collection of scheduled (i.e., planned) outage data now required in Schedule 7 for TADS to substitute for EIA 411 filings. If this could be accomplished, the EIA Schedule 7 could be administratively amended so that TADS data collected could substitute for comparable data specified in Schedule 7.

⁴ NERC DRAFT Request for data to Fulfill FERC Order No. 693 Requirements.

No, The IESO does not support a proposal that would require all outage times be reported with the required supporting data provided for use in making such determinations. This, in our view, is overly onerous and serves little value when the TO is in the best position to make such exclusion determinations. This defeats the very purpose of what the exclusion principle is trying to achieve which is reducing the burden on all reporting entities. Further, work practices, switching procedures, communication protocols and safety requirements vary between TOs based on their own philosophies and practices.

Does the 30-minute exclusion reduce the reporting burden or does it increase it? Please explain your response.

Yes, The 30 minute exclusion reduces the reporting burden as most planned outages require some form of switching and to have a requirement to provide that data would be extremely onerous.

4. Are the metrics appropriate? See Section 4 the Phase II Report. If "no," please explain.

For the most part, the metrics seem reasonable as an initial set provided the effort is considered a "work in progress" as characterized in the report and that the data and metrics can be modified as the industry gains knowledge from the data analysis.

5. Are the data review process and the requirement that TOs maintain historical supporting information used to develop its TADS data for a five-year period reasonable to ensure the quality of TADS data? If "no," please explain.

While the IESO supports the need to ensure validity and quality of data, we believe 5 years is excessive and support a shorter data retention period of 3 years. The IESO is unaware of any existing process to validate EIA data and question the need here.

6. Is the implementation schedule for Phase II TADS for 2009 reasonable? See Section 6 of the Phase II Report, Table 3. If "no," please explain.

Yes. The IESO believes the schedule affords Transmission Owners sufficient time to put in place the necessary processes and procedures to collect the required data.

7. Are there ambiguities in the Manual that need clarification? If "yes," please explain.

The term "advance notice" in the definition of a planned outage could be defined for clarity to provide specificity in terms of lead time.

Additional Comments and Questions

What steps are being taken to provide assurances that Canadian participant data will be excluded from reporting to FERC and EIA, unless specifically approved for forwarding? Reference: TADS Phase II Preliminary Report (page 10).

Respectfully Submitted,

R. J. Falsetti

Ronald J. Falsetti, P.Eng.
Independent Electricity System Operator (IESO)