

Consideration of Comments on Regional Reliability Standard PRC-006-FRCC-01

The Regional Reliability Standards Working Group thanks all commenters who submitted comments on the Regional Reliability Standard FRCC Automatic Underfrequency Load Shedding Program — PRC-006-FRCC-01. This standard was posted for a 45-day public comment period from April 27, 2010 through June 11, 2010. The stakeholders were asked to provide feedback on the standards through a special Electronic Comment Form. There were 2 sets of comments submitted representing 2 of the 10 Industry Segments as shown in the table on the following pages.

http://www.nerc.com/filez/regional_standards/regional_reliability_standards_under_development.html

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process! If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Gerry Adamski, at 609-452-8060 or at gerry.adamski@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.¹

¹ The appeals process is in the Reliability Standards Development Procedures:
<http://www.nerc.com/standards/newstandardsprocess.html>.

Index to Questions, Comments, and Responses

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The Industry Segments are:

- 1 — Transmission Owners
- 2 — RTOs, ISOs
- 3 — Load-serving Entities
- 4 — Transmission-dependent Utilities
- 5 — Electric Generators
- 6 — Electricity Brokers, Aggregators, and Marketers
- 7 — Large Electricity End Users
- 8 — Small Electricity End Users
- 9 — Federal, State, Provincial Regulatory or other Government Entities
- 10 — Regional Reliability Organizations, Regional Entities

| | | Commenter | Organization | Industry Segment | | | | | | | | | | |
|----|------------|--------------------|---------------------------------|------------------|---|---|---|---|---|---|---|---|----|--|
| | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
| 1. | Individual | Steve Alexanderson | Central Lincoln | | | X | | | | | | | | |
| 2. | Individual | John Delucca | Lee County Electric Cooperative | X | | X | | | | | | | | |

1. Was the proposed standard developed in a fair and open process, using the associated Regional Reliability Standards Development Procedure?

Summary Consideration:

| Organization | Yes or No | Question 1 Comment |
|--|-----------|-------------------------------------|
| Central Lincoln | | No knowledge of regional procedure. |
| Response: The FRCC UFLS SDT acknowledges your response. | | |
| Lee County Electric Cooperative | | No additional comments |
| Response: The FRCC UFLS SDT acknowledges your response and thanks you for your support. | | |

2. Does the proposed standard pose an adverse impact to reliability or commerce in a neighboring region or interconnection?

Summary Consideration:

| Organization | Yes or No | Question 2 Comment |
|---|-----------|---|
| Central Lincoln | Yes | Confusing applicability section could cause entities to needlessly divert resources in the wrong direction. |
| <p>Response: Although the FRCC UFLS SDT appreciates the time and effort that was expended by Central Lincoln in the development of the submitted comments, these comments do not fall within the scope of the designated posting period requirements. Per the NERC Rules of Procedure Section 312 (4.3) comments shall be permitted only on the following criteria (technical aspects of the standard are vetted through the regional standards development process):</p> <p>Unfair or Closed Process — The regional reliability standard was not developed in a fair and open process that provided an opportunity for all interested parties to participate. Although a NERC-approved regional reliability standards development procedure shall be presumed to be fair and open, objections could be raised regarding the implementation of the procedure.</p> <p>Adverse Reliability or Commercial Impact on Other Interconnections — The regional reliability standard would have a significant adverse impact on reliability or commerce in other interconnections.</p> <p>Deficient Standard — The regional reliability standard fails to provide a level of reliability of the bulk power system such that the regional reliability standard would be likely to cause a serious and substantial threat to public health, safety, welfare, or national security.</p> <p>Adverse Impact on Competitive Markets within the Interconnection — The regional reliability standard would create a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability.</p> <p>In an effort to eliminate confusion and provide additional clarity the FRCC UFLS SDT determined the applicable FRCC Registered Entities based on the guidance established in revision 5 of the NERC Statement of Compliance Registry Criteria (See FRCC UFLS SDT response to Question No.5 for additional information.) It is not clear to the FRCC UFLS SDT how identifying the Load Serving Entity and the Distribution Provider within the Applicability of the Reliability Standard will ‘... needlessly divert resources in the wrong direction’ which would result in an adverse impact to reliability or commerce in a neighboring region or interconnection. The Applicability section of PRC-006-FRCC-01 was fully vetted through the FRCC Regional Reliability Standard Development Process with no minority opinions expressed. It is the collective professional opinion of the FRCC UFLS SDT that compliance with the requirements contained in PRC-006-FRCC-01 will not establish undue burden on the applicable entities nor ‘needlessly divert resources’.</p> | | |

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| Organization | Yes or No | Question 2 Comment |
|--|-----------|------------------------|
| Lee County Electric Cooperative | | No additional comments |
| Response: The FRCC UFLS SDT acknowledges your response and thanks you for your support. | | |

3. Does the proposed standard pose a serious and substantial threat to public health, safety, welfare, or national security?

Summary Consideration:

| Organization | Yes or No | Question 3 Comment |
|--|-----------|------------------------|
| Central Lincoln | No | |
| Response: The FRCC UFLS SDT acknowledges your response and thanks you for your support. | | |
| Lee County Electric Cooperative | | No additional comments |
| Response: The FRCC UFLS SDT acknowledges your response and thanks you for your support. | | |

4. Does the proposed standard pose a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability?

Summary Consideration:

| Organization | Yes or No | Question 4 Comment |
|--|-----------|--------------------|
| Central Lincoln | Yes | See answer to #2. |
| <p>Response: Although the FRCC UFLS SDT appreciates the time and effort that was expended by Central Lincoln in the development of the submitted comments, these comments do not fall within the scope of the designated posting period requirements. Per the NERC Rules of Procedure Section 312 (4.3) comments shall be permitted only on the following criteria (technical aspects of the standard are vetted through the regional standards development process):</p> <p>Unfair or Closed Process — The regional reliability standard was not developed in a fair and open process that provided an opportunity for all interested parties to participate. Although a NERC-approved regional reliability standards development procedure shall be presumed to be fair and open, objections could be raised regarding the implementation of the procedure.</p> <p>Adverse Reliability or Commercial Impact on Other Interconnections — The regional reliability standard would have a significant adverse impact on reliability or commerce in other interconnections.</p> <p>Deficient Standard — The regional reliability standard fails to provide a level of reliability of the bulk power system such that the regional reliability standard would be likely to cause a serious and substantial threat to public health, safety, welfare, or national security.</p> <p>Adverse Impact on Competitive Markets within the Interconnection — The regional reliability standard would create a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability.</p> <p>In an effort to eliminate confusion and provide additional clarity the FRCC UFLS SDT determined the applicable FRCC Registered Entities based on the guidance established in revision 5 of the NERC Statement of Compliance Registry Criteria (See FRCC UFLS SDT response to Question No.5 for additional information.) It is not clear to the FRCC UFLS SDT how identifying the Load Serving Entity and the Distribution Provider within the Applicability of the Reliability Standard will ‘... needlessly divert resources in the wrong direction’ which would result in a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability. The Applicability section of PRC-006-FRCC-01 was fully vetted through the FRCC Regional Reliability Standard Development Process with no minority opinions expressed. It is the collective professional opinion of the FRCC UFLS SDT that compliance with the requirements contained in PRC-006-FRCC-01 will not establish undue burden on the applicable entities nor ‘needlessly divert resources’.</p> | | |

Consideration of Comments on PRC-006-FRCC-01

| Organization | Yes or No | Question 4 Comment |
|--|-----------|------------------------|
| Lee County Electric Cooperative | | No additional comments |
| <i>Response:</i> The FRCC UFLS SDT acknowledges your response and thanks you for your support. | | |

5. Does the proposed regional reliability standard meet at least one of the following criteria?

- The proposed standard has more specific criteria for the same requirements covered in a continent-wide standard
- The proposed standard has requirements that are not included in the corresponding continent-wide reliability standard
- The proposed regional difference is necessitated by a physical difference in the bulk power system.

Summary Consideration:

| Organization | Yes or No | Question 5 Comment |
|---|-----------|---|
| Central Lincoln | No | Applicability is unclear. LSEs do not necessarily own assets that UF could be applied to, and should be removed from the applicability section. DPs own this equipment, and any LSEs that happen to own it should be also registered as DPs. The reference to the "required load shedding program" is unclear. Required by what standard? Please reference the the standard and requirement #s. If the intent is to reference this very same standard, the applicability becomes circular and therefore unacceptable. |
| <p>Response: Although the FRCC UFLS SDT appreciates the time and effort that was expended by Central Lincoln in the development of the submitted comments, these comments are technical in nature and do not fall within the scope of the designated posting period requirements. Per the NERC Rules of Procedure Section 312 (4.3) comments shall be permitted only on the following criteria (technical aspects of the standard are vetted through the regional standards development process):</p> <p>Unfair or Closed Process — The regional reliability standard was not developed in a fair and open process that provided an opportunity for all interested parties to participate. Although a NERC-approved regional reliability standards development procedure shall be presumed to be fair and open, objections could be raised regarding the implementation of the procedure.</p> <p>Adverse Reliability or Commercial Impact on Other Interconnections — The regional reliability standard would have a significant adverse impact on reliability or commerce in other interconnections.</p> <p>Deficient Standard — The regional reliability standard fails to provide a level of reliability of the bulk power system such that the regional reliability standard would be likely to cause a serious and substantial threat to public health, safety, welfare, or national security.</p> <p>Adverse Impact on Competitive Markets within the Interconnection — The regional reliability standard would create a serious and substantial</p> | | |

| Organization | Yes or No | Question 5 Comment |
|--------------|-----------|---|
| | | <p>burden on competitive markets within the interconnection that is not necessary for reliability.</p> <p>In an effort to eliminate confusion and provide additional clarity the FRCC UFLS SDT determined the applicable FRCC Registered Entities based on the guidance established in revision 5 of the NERC Statement of Compliance Registry Criteria. Section II of the Registry Criteria identifies the Load Serving Entity as the entity that:</p> <p><i>“Secures energy and transmission service (and related interconnected operations services) to serve the electrical demand and energy requirements of its end-use customers.”</i></p> <p>The Registry Criteria provides additional clarification in Section III.a.2 which states:</p> <p><i>Load-serving entity is designated as the responsible entity for facilities that are part of a required underfrequency load shedding (UFLS) program designed, installed, and operated for the protection of the bulk power system,</i></p> <p>Based on the language “... responsible for facilities that are part of a required underfrequency load shedding program ...”, the FRCC UFLS SDT determined that the Load Serving Entity could in fact retain the responsibilities of facilities associated with the underfrequency load shedding program and would be responsible for compliance with the Regional Standard.</p> <p>Section II of the Registry Criteria identifies the Distribution Provider as the entity that:</p> <p><i>“Provides and operates the “wires” between the transmission system and the end-use customer. For those end-use customers who are served at transmission voltages, the Transmission Owner also serves as the DP. Thus, the DP is not defined by a specific voltage, but rather as performing the Distribution function at any voltage.”</i></p> <p>The Registry Criteria provides additional clarification in Section III.b.2 which states:</p> <p><i>Distribution provider is the responsible entity that owns, controls, or operates facilities that are part of any of the following protection systems or programs designed, installed, and operated for the protection of the bulk power system:</i></p> <ul style="list-style-type: none"> • <i>a required UFLS program.</i> <p>Based on this language “... the responsible entity that owns, controls, or operates facilities ...”, the FRCC UFLS SDT determined that the Distribution Provider could also retain the responsibilities of facilities associated with the underfrequency load shedding program and would be responsible for compliance with the Regional Standard.</p> <p>Additionally there is no provision in the Registry Criteria that requires an LSE to register as a DP based on the responsibility of facilities associated with an UFLS program. The Registry Criteria does however require DPs to register as LSEs for all load directly connected to their distribution facilities, but this requirement is not circular and therefore does not require LSEs to register as DPs. The issue surrounds the interpretation of the language “... responsible entity for facilities that are part of ...”and it is the determination of the FRCC UFLS SDT that including the LSE within the Applicability of PRC-006-FRCC-01 does not result in confusion among entities within the FRCC region and remains consistent with the FRCC UFLS Program legacy documents. The Applicability section of PRC-006-FRCC-01 was fully vetted through the FRCC Regional Reliability Standard Development Process</p> |

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| Organization | Yes or No | Question 5 Comment |
|---|-----------|--|
| | | <p>with no minority opinions expressed. The FRCC UFLS SDT will re-evaluate the Applicability section of the Reliability Standard in a future standard development project.</p> <p>The reference to the ‘required underfrequency load shedding (UFLS) program’ was taken directly from the Registry Criteria and references the existing FRCC Underfrequency Load Shedding Program contained in the FRCC Regional Criteria. Currently there is no enforceable Reliability Standard that requires a UFLS program and to ensure entities within the FRCC region complied with the Regional Criteria, PRC-006-FRCC-01 was developed as an implementation standard.</p> |
| Lee County Electric Cooperative | | No additional comments |
| <p>Response: The FRCC UFLS SDT acknowledges your response and thanks you for your support.</p> | | |