

NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

April 29, 2005

Mr. Glenn B. Ross
Chairman, Planning Committee
All Energy
13668 Queen's Harbour Boulevard North
Jacksonville, Florida 32225-4923

Dear Glenn:

Request to Defer Disturbance Monitoring Equipment Standards (II.F.M2 to M5)

The Standards Authorization Committee (SAC) received the Planning Committee's request to postpone further development of the Phase III-IV planning standards related to disturbance monitoring equipment (I.F.M2 to M5). This request was based on a recommendation made by the Interconnected Dynamics Working Group (IDWG) in its report on the August 2003 blackout. The IDWG states there are deficiencies in the currently proposed standards and that it intends to submit a SAR proposing new standards by the end of June 2005. The IDWG recommends that the SAC 'postpone action' on the Phase III-IV planning standards that are related to disturbance monitoring equipment.

On an April 28 conference call, the SAC carefully considered this request but determined the appropriate course of action is to allow the Phase III-IV planning standards to continue on their current track for now. The following reasons support this decision:

- The proposed standards are already drafted and were posted on April 22 for stakeholder comment through June 6. Prior to the request from the Planning Committee, the drafting team had exerted considerable effort developing the draft standards and making improvements based on recent and historical comments by stakeholders. The drafting team supports continuing with the current posting at least until it has had an opportunity to receive and consider stakeholder comments on the first draft.
- Once a standard is assigned to the drafting team for development, our ANSI-accredited process requires the drafting team to openly and inclusively seek inputs from all stakeholders. It would be inconsistent with the process, and perhaps viewed by some as unfair, to cease development of a standard based on the recommendation of one or several committees — even ones highly respected in a particular area of expertise, without first providing an opportunity for all interested parties to openly comment.

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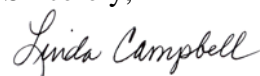
- SAC does not believe that allowing the existing drafting team to continue its work detracts from the IDWG's work plan or timeline. The SAC appreciates the importance of the IDWG efforts to address blackout recommendations related to disturbance monitoring. The SAC encourages the IDWG to submit its comments on the currently posted standards and to work closely with the existing drafting team to address its concerns. If the current drafting team is unable to adequately address the IDWG's comments within the confines of the approved SAR for the Phase III-IV disturbance monitoring standards, the SAC encourages the IDWG to develop a new SAR justifying the expanded or new scope.

The Phase III-IV planning standards drafting team will carefully consider the IDWG's comments regarding deficiencies of the proposed disturbance monitoring standards. If the IDWG has specific recommendations for requirements and measures that would improve upon those that are posted, then the SAC encourages the IDWG to submit these during this open posting period. As of now, the drafting team has not determined when and if any of the proposed planning standards should go to ballot. These recommendations will be developed at the drafting team's meeting June 28-30 based on stakeholder comments received from the current public posting. The drafting team will be certain to carefully consider the recommendations of the IDWG as part of this deliberation. Several members of the IDWG are on the Phase III-IV planning standards drafting team and others are welcome to join the discussions in this open meeting.

If the IDWG believes that its proposed standards exceed the scope of the disturbance monitoring standards currently in development, or that its comments are not adequately addressed by the drafting team, the IDWG may submit a new SAR for SAC consideration. Doing so by the end of June would allow timely consideration before any final decision is made regarding the balloting of the draft standards already in development.

The SAC respects and welcomes the inputs of the Planning Committee and its technical subgroups. In this case, to be consistent with the principles of our stakeholder-driven standards process, the IDWG is encouraged to submit comments during the posting period for the Phase III-IV planning standards and, if necessary, to submit its SAR for disturbance monitoring standards by the end of June.

Sincerely,



Linda Campbell
Chairman, Standards Authorization
Committee

cc: Virginia Sulzberger
Interconnection Dynamics Working Group
Phase III-IV Planning Standards Drafting Team
Planning Committee
Standards Authorization Committee
Technical Steering Committee