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August 9, 2007

Maureen E. Long  
Standards Process Manager  
North American Electric Reliability Council  
Princeton Forrestal Village  
116-390 Village Boulevard  
Princeton, New Jersey 0854-5721

**Re: Request for Interpretation of NERC Standard TPL-002-0 and TPL-003-0**

Ms. Long:

The Midwest Independent Transmission System Operator, Inc. (Midwest ISO) requests a formal interpretation of two sub requirements that are common to NERC standards TPL-002-0 and TPL-003-0, in accordance with the NERC Reliability Standards Development Procedure. The sub-requirements in question are Requirements R1.3.2 and R 1.3.12 of TPL-002 and TPL-003:

R1.3.2. Cover critical system conditions and study years as deemed appropriate by the responsible entity.

R1.3.12. Include the planned (including maintenance) outage of any bulk electric equipment (including protection systems or their components) at those demand levels for which planned (including maintenance) outages are performed.

With respect to these two requirements, and more globally in the general application of the TPL standards, the Midwest ISO requests that NERC provide guidance with respect to the following application of the TPL standards:

1. The application of the TPL contingency requirements of Table 1 to dispatch patterns considered appropriate by the entity responsible for compliance is not a misapplication of the standard as it is within the bounds of discretion that the standard permits of the Transmission Planner and the Planning Authority as entities responsible for compliance, and;
2. The application of a standard in accordance with an existing interpretation based on the history and development of the standards is appropriate, notwithstanding future interpretations or revisions of the standard.

Specifically, with respect to the discretion that the TPL standard grants to the Transmission Planner and the Planning Authority, the Midwest ISO seeks NERC interpretation of following:

Q1.1: Do the TPL standards require that any specific dispatch be applied, other than one that is representative of supply of firm demand and transmission service commitments, in the modeling of system contingencies specified in Table 1 in the TPL standards?

Q1.2: If in the judgment of the entity responsible for compliance, a variety of possible dispatch patterns should be included in planning analyses including a probabilistically based dispatch that is representative of generation deficiency scenarios, would it be an appropriate application of the TPL standard to apply the transmission contingency conditions in Category B of Table 1 to these possible dispatch patterns?

With respect to the interpretation of R1.3.12 the Midwest ISO seeks NERC interpretation of the following:

Q2.1: Does the term “planned outages” mean only already known/scheduled planned outages that may continue into the planning horizon, or does it include potential planned outages not yet scheduled that may occur at those demand levels for which planned (including maintenance) outages are performed?

Q2.2: If it is intended to include not yet scheduled but potential planned outages that could occur in the planning horizon, is the following a proper interpretation of this provision? The system is adequately planned and in accordance with the standard if, in order for a system operator to potentially schedule such a planned outage on the future planned system, planning studies show that a system adjustment (load shed, redispatch of generating units in the interconnection, or system reconfiguration) would be required concurrent with taking such a planned outage in order to prepare for a Category B contingency (single element forced out of service)? In other words, should the system in effect be planned to be operated as for a Category C3 n-2 event, even though the first event is a planned base condition?

Q2.3: If it is intended to mean only known and scheduled planned outages that will occur or may continue into the planning horizon, is this interpretation consistent with the original interpretation by NERC of the standard as provided by NERC in response to industry questions in the Phase I development of this standard<sup>1</sup>?

Q2.4: If NERC provides a new interpretation of a standard, or an interpretation that is different than a prior clarification by NERC of a standard, or if NERC revises a standard, would the previous application of the standard according to the clarification, interpretation, or

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<sup>1</sup> The NERC PSS provided responses to industry questions about the Planned Outage provision of Standard IA in September 2000, and the NERC office has these responses in their archives and has provided these to the Midwest ISO.

version of a standard in effect at the time it was applied be considered a proper application of the standard? Is the more recent interpretation deemed to be retroactive, invalidating previous planning studies?

### **Material Impact of Standards Interpretation**

- Necessary transmission expansions may not be pursued depending on the interpretation of these issues. Regulatory authorities may not permit recovery of costs of appropriately planned transmission expansions if the NERC standards are construed to prescribe the precise system conditions that are appropriate to be planned for without permitting discretion in planning assumptions to be within the proper application of the NERC standards.
- The application of the NERC standards must permit that discretion be given to Transmission Planners and Planning Authorities to apply appropriate planning assumptions for their systems in development of planning models that the NERC standards are applied to. If the NERC standards are interpreted as specifically prescribing the generation patterns, including the number of generators off-line that it is prudent to plan for, it will make it difficult for Transmission Planners and Planning Authorities to plan their specific systems to perform reliably based on their experience with and the historical performance of their systems.
- If the interpretation, reinterpretation, or revision of a standard subsequent to the application of a standard to support the need for reliability upgrades renders the prior application of a standard inappropriate in NERC's view, this would create great uncertainty in the ability of a Transmission owner to recover costs for upgrades, and would result in reluctance by Transmission Owners to expand their systems based on present interpretations of the standards.

The Midwest ISO appreciates the prompt attention of NERC to the issues outlined in this request, and requests that we be kept informed of actions taken by NERC pursuant to this request.

Sincerely,



Jeffrey R. Webb  
Director of Expansion Planning  
Midwest ISO