

Consideration of Comments on the Processing Requests for an Interpretation Procedure

The Standards Committee thanks all commenters who submitted comments on the Processing Requests for an Interpretation Procedure. This document was posted for a 30-day public comment period from October 7, 2008 through November 5, 2008. The stakeholders were asked to provide feedback on the standards through a special Electronic Comment Form. There were more than 19 sets of comments, including comments from 71 different people from approximately 45 companies representing 8 of the 10 Industry Segments as shown in the table on the following pages.

<http://www.nerc.com/filez/sc.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>.

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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.	Guy Zito (G1)	NPCC											✓
2.	Ralph Rufrano (G1)	New York Power Authority					✓						
3.	Don Nelson (G1)	Massachusetts Dept. of Public Utilities										✓	
4.	Michael Garton (G1)	Dominion Resources Services, Inc.					✓						
5.	Roger Champagne (G1)	Hydro-Quebec TransEnergie		✓									
6.	Chris De Graffenried (G1)	Consolidated Edison Co. of New York, Inc.	✓										
7.	Brian L. Gooder (G1)	Ontario Power Generation Incorporated					✓						
8.	David Kiguel (G1)	Hydro One Networks, Inc.	✓										
9.	Gregory Campoli (G1)	New York Independent System Operator		✓									

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Commenter		Organization	Industry Segment											
			1	2	3	4	5	6	7	8	9	10		
10.	Kathleen Goodman (G1)	ISO - New England		✓										
11.	Michael Gildea (G1)	Constellation Energy							✓					
12.	Frederick White (G1)	Northeast Utilities	✓											
13.	Brian Evans-Mongeon (G1)	Utility Services							✓					
14.	Lee Pedowicz (G1)	Northeast Power Coordinating Council												✓
15.	Karl Bryan	US Army Corps of Engineers						✓						
16.	Randy Schimka	San Diego Gas and Electric Co	✓		✓			✓						
17.	Alan Gale	City of Tallahassee						✓						
18.	Rao Somayajula	ReliabilityFirst Corporation												✓
19.	Patti Metro	National Rural Electric Cooperative Association (NRECA)	✓		✓	✓								
20.	Kirit Shah	Ameren	✓											
21.	Andrew Gallo	Seattle City Light	✓		✓			✓						
22.	Chris Scanlon	Exelon	✓		✓			✓	✓					
23.	Jason Shaver	American Transmission Company	✓											
24.	William Franklin	Entergy							✓					
25.	David Kiguel	Hydro One Networks Inc.	✓		✓									

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Commenter		Organization	Industry Segment											
			1	2	3	4	5	6	7	8	9	10		
26.	Roman Carter (G2)	Southern Company Transmission	✓											
27.	Jim Busbin (G2)	Southern Transmission	✓											
28.	JT Wood (G2)	Southern Transmission	✓											
29.	Raymond Vice (G2)	Southern Transmission	✓											
30.	Marc Butts (G2)	Southern Transmission	✓											
31.	Chris Wilson (G2)	Southern Transmission	✓											
32.	Terry Coggins (G2)	Southern Transmission	✓											
33.	Sam Ciccone	FirstEnergy Corp.			✓				✓					
34.	Doug Hohlbaugh (G3)	FirstEnergy Corp.	✓		✓	✓	✓	✓						
35.	Denise Koehn (G4)	Transmission Reliability Program	✓		✓		✓	✓						
36.	Don Watkins (G4)	Transmission Operations	✓											
37.	Francis Halpin (G4)	Generation Support					✓							
38.	Rebecca Berdahl (G4)	Long Term Sales and Purchases			✓									
39.	Jim Case (G5)	Entergy	✓		✓		✓							
40.	Sam Holeman (G5)	Duke Energy Carolinas	✓		✓		✓							
41.	Roman Carter (G5)	Southern Co.	✓		✓		✓							
42.	Chris Wilson (G5)	Southern Co.	✓		✓		✓							

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Commenter		Organization	Industry Segment										
			1	2	3	4	5	6	7	8	9	10	
43.	Terry Coggins (G5)	Southern Co.	✓		✓		✓						
44.	Raleigh Nobles (G5)	Ga. Systems Operations Corp	✓		✓		✓						
45.	Dan Jewell (G5)	La Generating, LLC	✓		✓	✓	✓						
46.	Rene' Free (G5)	South Carolina Public Service Auth.	✓		✓		✓						
47.	Glenn Stephens (G5)	South Carolina Public Service Auth.	✓		✓		✓						
48.	Tim Hattaway (G5)	PowerSouth Energy Coop.	✓		✓	✓	✓						
49.	Edd Forsythe (G5)	Tennessee Valley Authority	✓		✓		✓					✓	
50.	Mike Bryson (G5)	PJM		✓									
51.	Joe Finnegan (G5)	Dominion VP	✓										
52.	Robert Thomasson (G5)	Big Rivers Electric Coop.	✓		✓		✓						
53.	Jalal Babik (G5)	Dominion VP	✓										
54.	Louis Slade (G5)	Dominion VP	✓										
55.	Sandra Shaffer	Pacificorp	✓		✓		✓	✓					
56.	Patrick Brown (G6)	PJM Interconnection		✓									
57.	Al DiCaprio (G6)	PJM interconnection		✓									
58.	Laura Elsenpeter (G7)	Midwest Reliability Organization											✓
59.	Neal Balu (G7)	Wisconsin Public Service			✓	✓	✓	✓					

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Commenter		Organization	Industry Segment											
			1	2	3	4	5	6	7	8	9	10		
60.	Terry Bilke (G7)	Midwest ISO		✓										
61.	Carol Gerou (G7)	Minnesota Power	✓		✓		✓	✓						
62.	Jim Haigh (G7)	Western Area Power Administration	✓						✓					
63.	Ken Goldsmith (G7)	Alliant West				✓								
64.	Tom Mielnik (G7)	MidAmerican Energy Company	✓		✓		✓	✓						
65.	Pam Sordet (G7)	Xcel Energy	✓		✓		✓	✓						
66.	Dave Rudolph (G7)	Basin Electric Power Cooperative	✓		✓		✓	✓						
67.	Eric Ruskamp (G7)	Lincoln Electric System	✓		✓		✓	✓						
68.	Joseph Knight (G7)	Great River Energy	✓		✓		✓	✓						
69.	Joe DePoorter (G7)	Madison Gas & Electric			✓	✓	✓	✓						
70.	Larry Brusseau (G7)	Midwest Reliability Organization												
71.	Mike Brytowski (G7)	Midwest Reliability Organization												

- G1 — NPCC
- G2 — Southern Company Transmission
- G3 — FirstEnergy
- G4 — Bonneville Power Administration
- G5 — SERC OC Standards Review Group
- G6 — PJM Interconnection
- G7 — NERC Standards Review Subcommittee (NSRS)

Consideration of Comments on Standards Interpretation Procedure

1. Do you agree that a formal process is needed to document the way interpretations are processed?

Summary Consideration: All commenters agreed that a formal process is needed to document the way interpretations are processed. Several commenters suggested that the "Request for Interpretation" form should be posted on the standards web site, and that has been done.

Organization	Yes	No	Comment
US Army Corps of Engineers	✓		The formal process is needed but the problem with the proposed formal process is it requires you to fill out a Request for Interpretation form. Where on the NERC website is this form? I did a search on the NERC website and I was not able to find the form, only previously filed requests came up. I recommend that the form be put in a hot link under either "Reliability Standards" or "Standards Under Development".
Response: The form has been posted on the NERC web site under the Standards Resource Documents. http://www.nerc.com/commondocs.php?cd=2			
ReliabilityFirst Corporation	✓		I agree that a formal process is needed. The process mentions "Request for Interpretation Form", I could not find that on NERC website. I feel that it is posted on the web site and a link is provided in the process write-up
Response: The form has been posted on the NERC web site under the Standards Resource Documents. http://www.nerc.com/commondocs.php?cd=2			
National Rural Electric Cooperative Association (NRECA)	✓		A formal process for interpretations is needed. In addition, it would be helpful that when the process is implemented the "Request for Interpretation" form is placed on the "Standards" portion of the NERC website, possibly under "Reliability Standards", to allow for easy access to the form.
Response: The form has been posted on the NERC web site under the Standards Resource Documents. http://www.nerc.com/commondocs.php?cd=2			
FirstEnergy	✓		We agree a formal process is necessary. Development of an interpretation should undergo a similar process to the development of a standard.
Response: This supports the proposed process.			
Southern Company	✓		A formal process is necessary to ensure consistency in the efficient processing of interpretation requests. The ultimate goal of the interpretation process should allow a Requestor to obtain an

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Organization	Yes	No	Comment
Transmission SERC OC Standards Review Group	✓		<p>interpretation in a reasonable amount of time. Consistency and efficiency could be enhanced with more defined timelines for the various stages in the process. Terminology such as 'as soon as reasonably possible' is somewhat ambiguous and will not ensure consistency or timeliness. Examples of this type terminology are:(a) the Drafting Team is supposed to "Review and respond to all comments" without any specified timeline; (b) the Standards Process Manager must "send the requestor an electronic confirmation" without any timeline; and (c) "If agreement cannot be reached on an interpretation?" the Drafting Team (on page 2) seems to not have any time restrictions before seeking the guidance of the Standards Committee. The overall Procedure could be enhanced with a 3-part approach that includes: Part A - Documentation of the Purpose/Objectives, Roles, and Responsibilities; Part B - Documentation of the actual process that includes a detailed Flowchart or Diagram indicating decision points and time durations for activities; Part C - Documentation and Tracking (possibly by posting a chart which provides notice and status of any request). Part C may be enhanced further with hyperlinks to referenced standards and other posted documents.</p>
<p>Response: The team that drafted the procedure initially included time frames for each of the steps but decided to remove most of these. Because the process is dependent upon volunteers, strict time constraints are not realistic.</p>			
NPCC Group	✓		
San Diego Gas and Electric Co	✓		
City of Tallahassee	✓		
Ameren	✓		
Seattle City Light	✓		
Exelon	✓		
American Transmission Company	✓		
Entergy	✓		

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Organization	Yes	No	Comment
Hydro One Networks Inc.	✓		
Bonneville Power Administration	✓		
PacifiCorp	✓		
PJM Interconnection	✓		
NERC Standards Review Subcommittee (NSRS)	✓		

Consideration of Comments on Standards Interpretation Procedure

2. Do you agree that interpretations should be posted for stakeholder comment before they are balloted?

Summary Consideration: All commenters except one indicated support for the inclusion of a comment period prior to balloting an interpretation. Since most commenters support this additional step, no change was made.

Organization	Yes	No	Comment
Bonneville Power Administration		✓	Believe this is a wasted step. The drafting team should determine if they believe it is in scope and work diligently to create a well thought out and informed interpretation, submitting that for ballot (unless they instead return it to the standards committee saying it is inappropriate). There is ample ability to comment during the ballot process.
Response: History shows that, while each team that developed an interpretation believed their interpretation was well thought out and informed, almost half of these needed revision before receiving final approval from the associated ballot pool.			
NPCC Group	✓		NPCC participating members support the addition of a stakeholder comment period to the interpretations process before the interpretations are balloted.
Response: This supports the proposed process.			
City of Tallahassee	✓		This could be an abbreviated period, similar to the pre-ballot review. 15 days would be adequate.
Response: This supports the proposed process.			
ReliabilityFirst Corporation	✓		This will make the process authenticated the same way as the original standard.
Response: This supports the proposed process.			
Hydro One Networks Inc.	✓		Balloting without the opportunity given to the industry to comment on the interpretations has been a long standing issue. Hydro One fully supports the proposed procedure.
Response: This supports the proposed process.			

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Organization	Yes	No	Comment
Southern Company Transmission SERC OC Standards Review Group	✓ ✓		The procedure should contain a provision allowing the requestor to petition the Standards Committee to expedite or eliminate a comment period for the purpose of receiving a response that meets the requestor's time constraints. Also, in an effort to promote transparency, posting the initial interpretation request and the drafting team's initial interpretation would be beneficial to the industry. As an ancillary benefit, early posting would minimize the chance that multiple, duplicative requests would be submitted for the same interpretation thereby reducing the Standards Process Manager of unnecessary work.
Response: Currently, the request for an interpretation is posted when the ballot pool is ready to be formed and the drafting team has developed a draft interpretation. Under the existing process, posting early drafts could be misleading, as stakeholders may develop opinions about drafts that will not move forward. Under the proposed process the first draft posted would be the draft for stakeholder review and comment. The suggestion to post requests as they are received can be adopted, even under the existing process – and this suggestion will be forwarded to the Standards staff.			
FirstEnergy	✓		Since entities must abide by interpretations and interpretations have the potential of impacting compliance evidence, they should go through an open process of industry review.
Response: This supports the proposed process.			
US Army Corps of Engineers	✓		
San Diego Gas and Electric Co	✓		
National Rural Electric Cooperative Association (NRECA)	✓		
Ameren	✓		
Seattle City Light	✓		
Exelon	✓		

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Organization	Yes	No	Comment
American Transmission Company	✓		
Entergy	✓		
PacifiCorp	✓		
PJM Interconnection	✓		
NERC Standards Review Subcommittee (NSRS)	✓		

Consideration of Comments on Standards Interpretation Procedure

3. The Standards Committee is trying to balance the need to provide a good interpretation with the need to provide the interpretation in a timely manner. To keep the development time as short as practical, the committee proposes having a 15-day pre-ballot window. Do you agree with a 15-day pre-ballot window?

Summary Consideration: All but one commenter indicated support for the 15-day pre-ballot window. There were several suggestions indicating that there should be some flexibility in the length of the pre-ballot window and indicated that shorter or longer windows may also be acceptable. One commenter suggested that the ballot pool could be opened sooner, and this suggestion was adopted and is reflected in the revised procedure which includes announcing the opening of the ballot pool while the interpretation is posted for comment.

Organization	Yes	No	Comment
Seattle City Light		✓	In general, all of the time periods are too long. If a stakeholder needs an interpretation, it probably needs one relatively quickly.
Response: While the interpretation process may take longer, the intent is to provide a better product that will meet stakeholder needs and also obtain regulatory approval.			
Southern Company Transmission	✓		We feel the Standards Committee should be able to permit shorter or longer comment periods in order to provide interpretations consistent with the overall objective of providing the requestor and the industry a timely and thorough interpretation. Please clarify that all time periods are either business days or calendar days in future versions of this Procedure.
Response: The intent was to use “calendar days” rather than “business days” and this has been changed in the revised procedure. The team adopted the suggestion that the Standards Committee have the authority to permit deviations in comment periods as proposed.			
SERC OC Standards Review Group	✓		We feel the Standards Committee should be able to permit shorter or longer comment periods in order to provide interpretations consistent with the overall objective of providing the requestor and the industry a timely and thorough interpretation. We would suggest a clarification that all time periods are either business days or calendar days in future versions of this Procedure.
Response: The team adopted the suggestion that the Standards Committee have the authority to permit deviations in comment periods as proposed. The intent was to use “calendar days” rather than “business days” and this has been changed in the revised procedure.			
FirstEnergy	✓		Yes, 15-days are sufficient since most interpretations are short and only effect one or two requirements of the standard.

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Organization	Yes	No	Comment
Response: This supports the proposed procedure.			
NERC Standards Review Subcommittee (NSRS)	✓		15 days to join a ballot pool may not be enough time, would NERC consider opening the ballot pool sooner?
Response: The ballot pool could be opened sooner and the procedure has been revised to show this. A problem with opening the ballot pool too soon involves changes to the ballot pool. Experience has shown that when a ballot pool is formed too soon, entities join the ballot pool and then either discover they are not interested in participating in the balloting, or the member who joined the ballot pool has changed his or her job and has not been removed from the ballot pool – this makes achieving a quorum challenging.			
US Army Corps of Engineers	✓		I would have no problem with a 10 day ballot window for interpretation requests so long as the announcements were sent to all of the stakeholders.
Response: The intent is always to send the announcements to, as a minimum, all the members of the Registered Ballot Body – as these are the people who are eligible to join the ballot pools. The Standards Staff also sends all standards-related announcements to members of the standards list server, which includes all those who've indicated they want to receive these announcements.			
NPCC Group	✓		
San Diego Gas and Electric Co	✓		
City of Tallahassee	✓		
ReliabilityFirst Corporation	✓		
National Rural Electric Cooperative Association (NRECA)	✓		
Ameren	✓		
Exelon	✓		
American Transmission	✓		

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Organization	Yes	No	Comment
Company			
Entergy	✓		
Hydro One Networks Inc.	✓		
Bonneville Power Administration	✓		
PacifiCorp	✓		
PJM Interconnection	✓		

Consideration of Comments on Standards Interpretation Procedure

4. Are there any steps in the draft procedure that you believe are unnecessary or incorrect? If yes, please identify.

Summary Consideration: Several stakeholders indicated that it is not necessary to ask the question, “Do you agree that this is a legitimate request for interpretation? And this question was removed from the draft procedure.

Some stakeholders indicated that there was no closure for interpretations related to compliance elements – and on further review, the draft procedure was revised to remove that language – the revised procedure clarifies that a request for an interpretation must be focused on a “requirement.”

Some stakeholders asked for specific time constraints for each step in the process, and the committee did not adopt those suggestions as it is not practical to put such constraints on “volunteers.” The committee did add a time constraint to the initial review conducted by the standards process manager.

One stakeholder suggested adding several additional steps in the process for the Standards Committee to form a drafting team and conduct a formal review at each step in the process and this was not adopted as it would lengthen the process.

Organization	Yes	No	Comment
Ameren	✓		The initial actions by the Standards Process Manager and Interpretation Requester should have a defined time limit. The "as soon as reasonably possible" should be replaced with a fixed time limit, we suggest one week (unless unforeseen circumstances prohibit). This way it sets forth a clear expectation. Of course, there are no penalties for missing this date. Similarly, no interpretation will get a free pass for missing the date either. But by establishing hard targets, NERC can better determine if they are meeting expectations and that stakeholders would get much faster processes. NERC should make sure that the entire process for that to happen is completed within 90 days or less.
<p>Response: The suggestion of having a “one week” time frame doesn’t reflect the other work obligations of the standards process manager and the interpretation requester. In one recent case, a request for an interpretation that was unclear has been sent back to the requester and the requester had to obtain the approval of legal and operations staff before returning the revised request for an interpretation. While the need to have the standards process manager provide a quick response is clear, there doesn’t seem to be an obvious reason for putting a time constraint on the amount of time a requester has to revise a request that is either unclear or incomplete. Because the one week time frame will be too short in some cases due to vacation schedules and conflicting obligations, the SC Process Subcommittee proposes ten days as a reasonable time frame for the standards process manager to respond to the initial request.</p>			
Seattle City Light	✓		One of the proposed questions during the comment period is, "do you agree that this is a legitimate request for interpretation." I believe it is irrelevant if some stakeholders think a request is not "legitimate." If a stakeholder submits a request for interpretation, that company must -- by definition -- consider it a "legitimate" request. Whether other companies agree is irrelevant. Also, the

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Organization	Yes	No	Comment
			<p>proposed procedure uses the phrase, "as soon as reasonably possible" in a few instances. That phrase is too vague. I would recommend including a concrete deadline.</p>
<p>Response: Several stakeholders indicated that this question is unnecessary and the question has been removed from the revised process.</p> <p>A specific timeframe has been added to the step in the process for the standards process manager to make the initial acknowledgment of receipt of the request for an interpretation. Other specific time frames were not added as it is very difficult to control the schedules of volunteers. The existing words, "as soon as reasonably possible" coupled with the "90 calendar days" timeframe noted in the purpose, should convey the intent which is to process the interpretation as quickly as is reasonable given the reliance on volunteers.</p>			
<p>American Transmission Company</p>	<p>✓</p>		<p>Second Step: The second step reads as if multiple emails will be sent between the Standards Process Manager and the Interpretation Requester. Is that the actual intent of the step? (Example: receipt, completeness of the request, completion of the review) Are the bullets written in a sequential order or just a list of things that will be done?</p> <p>Third Step: There should be language stating that the requestor has a specific number of days to respond to the Standards Process Managers findings. Failure to respond should allow NERC to automatically consider the request withdrawn.</p> <p>Forth Step: In the Standards Development Process Manual the Standards Committee assigns the drafting team. Why is this process calling for a different procedure? ATC would prefer the Standards Committee be the group that assigns drafting teams.</p> <p>Fifth Step: The drafting team should be required to get SC approval prior to posting for comment or ballot. The current language states that the drafting team determines when the interpretation is ready for posting. "Submit it to the Standards Process Administrator for editing and posting."Additional clarification is needed.</p> <p>Sixth Step: Clarity is needed as to the SC's role when the drafting team believes that the interpretation is ready for comment or ballot. (See above comments) In the Standards Development Manual the SC has to approve all postings but this level of specificity is missing in this procedure. We recommend that additional clarity be inserted.</p> <p>Eight Step: The current language indicates that the drafting team and the Standards Program Administrator are the sole judges for determining when something will be balloted. ATC believes that the SC should be the body that approves all balloting periods?</p>

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Organization	Yes	No	Comment
<p>Response: There are sometimes multiple iterations between the standards process manager and the interpretation requester.</p> <p>The bullets are things that must be accomplished – in general, they should be accomplished in the sequence provided.</p> <p>3rd step - There doesn't seem to be an obvious reason for putting a time constraint on the amount of time a requester has to revise a request that is either unclear or incomplete. The request doesn't get posted or become "official" until it is acceptable to the standards process manager.</p> <p>4th step - The latest approved version of the Reliability Standards Development Procedure assigns the standards process manager the responsibility for appointing a drafting team to develop the interpretation. This language reflects the intent to move rapidly in developing an interpretation for an entity that is seeking clarification. If a drafting team were formed in the same manner as a drafting team for a SAR or standard, then staff would post a solicitation for nominations for 10 work days, assemble the nominations, develop a slate of nominees, hold a SC meeting to make appointments, then organize a meeting of the drafting team – this would add considerably to the length of time it takes to develop an interpretation.</p> <p>5th step - The SC does not get involved in the technical details of a standard – or the technical details of an interpretation. It is not clear what would the SC be reviewing if it met to determine whether the interpretation were ready to post for comment – and this would lengthen the process.</p> <p>6th and 8th steps - Although the latest version of the Reliability Standards Development Procedure does assign the SC the responsibility for reviewing and determining when to post all versions of SARs and standards, the SC delegated that responsibility to the standards process manager – and the proposed revisions to the manual would permanently remove this step. Note that the latest version of the Reliability Standards Development Procedure does not assign the SC any responsibility for interpretations. Adding a step to the process for a separate SC review and approval would lengthen the process – and again it is not clear what the SC would be reviewing since the SC does not involve itself in the technical details of the work of the drafting team.</p>			
Southern Company Transmission	✓		The draft Procedure provides a chronology but has several decision points that could be better illustrated with the use of a flowchart or diagram. It is difficult to track the status of a request if there is a deviation that causes the request for interpretation to bypass or repeat a certain step. Some steps in the procedure only provide an 'off-ramp' from the main process. In the case where the proposed interpretation procedure involves a compliance element and Compliance Staff, the procedure does not provide an 'on-ramp' for any input or feedback if necessary.
<p>Response: We do not contemplate compliance elements as viable points of interpretation. The procedure has been revised to clarify that a request for an interpretation must be focused on "requirements."</p>			
SERC OC Standards Review Group	✓		The draft Procedure provides a chronology of events but has several decision points that could be better illustrated with the use of a flowchart or diagram. It is difficult to track the status of a request if there is a deviation that causes the request for interpretation to bypass or repeat a certain step. Some steps in the procedure only provide an "exit" from the main process. In the case where the

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Organization	Yes	No	Comment
			proposed interpretation procedure involves a compliance element and Compliance Staff, the procedure does not provide an "access point" for any input or feedback if necessary.
<p>Response: We do not contemplate compliance elements as viable points of interpretation. The procedure has been revised to clarify that a request for an interpretation must be focused on "requirements."</p>			
Bonneville Power Administration	✓		The addition of a comment period.
<p>Response: Experience has shown that almost half of the interpretations processed to date have been "improved" by being revised following the initial ballot. Most stakeholders who commented on the draft procedure indicated support for the formal comment period before balloting the interpretation.</p>			
PacifiCorp	✓		We think the request to stakeholders asking if the request for interpretation is appropriate should be posed much earlier in the process. If the request is deemed in appropriate, the work that has been done so far is wasted. The questions should be asked prior to any work being done.
<p>Response: Agreed. This question has been removed from the procedure and will be addressed through the initial work of the standards process manager. If an interpretation is not appropriate, it will not move forward in the process.</p>			
Exelon	✓		
US Army Corps of Engineers		✓	The procedure is very well thought out and easy to understand.
PJM Interconnection		✓	
NERC Standards Review Subcommittee (NSRS)		✓	
Entergy		✓	
Hydro One Networks Inc.		✓	

Consideration of Comments on Standards Interpretation Procedure

Organization	Yes	No	Comment
NPCC Group		✓	
San Diego Gas and Electric Co		✓	
City of Tallahassee		✓	
ReliabilityFirst Corporation		✓	
National Rural Electric Cooperative Association (NRECA)		✓	

Consideration of Comments on Standards Interpretation Procedure

5. Are there any steps missing in the draft procedure? If yes, please identify.

Summary Consideration: Some commenters asked that the procedure be modified to add the steps that take place after an interpretation has been balloted, including updating the standard's version number, and the committee has done this.

Organization	Yes	No	Comment
NERC Standards Review Subcommittee (NSRS)	✓		Should re-numbering of the standard be defined in this process?
Response: Re-numbering the Standard will take place when and if the Standard itself is revised as a result of the interpretation. This step has been added to the revised procedure.			
San Diego Gas and Electric Co	✓		I would suggest numbering each of the steps or headings contained in the description of this procedure so they can be referenced to the progress of an interpretation, e.g. "The Company X Request for Interpretation is now at Step 8."
Response: Since the steps are sequential and the progress of interpretations is tracked within the NERC office, the need for numbering the steps does not seem necessary. The steps that involve stakeholder action will be publicly posted on the Standards Under Development web page the same way standards and interpretations are posted today.			
City of Tallahassee	✓		What happens once it is approved or disapproved by the RBB? If it passes, does it have to go to FERC? If so, it will need to go through the BOT first. The procedure should be a "cradle-to-grave" process.
Response: Once an interpretation is approved by its ballot pool it is sent to the NERC Board of Trustees for adoption and then is filed with FERC and other regulatory authorities in Canada. These steps have been added to the revised procedure for clarity.			
ReliabilityFirst Corporation	✓		Please see response to Question #1
Response: Please see the response to comments on Question #1.			
National Rural Electric Cooperative Association	✓		The procedure should include a summarized version of the steps for NERC BOT approval and filing of the interpretations with FERC.

Consideration of Comments on Standards Interpretation Procedure

Organization	Yes	No	Comment
(NRECA)			
<p>Response: Agreed. The SC Process Subcommittee added steps to clarify that after the interpretation is approved by its ballot pool it is sent to the NERC Board of Trustees for adoption and then is filed with FERC and other regulatory authorities in Canada.</p>			
American Transmission Company	✓		In general ATC believes that steps identifying the Standard Committees involvement in approving comment and ballot periods are missing.
<p>Response: As noted earlier, the intent with the interpretation process is to provide an answer to the requester as rapidly as practical. The suggestions made by ATC to add steps for the SC to appoint a drafting team, to review and approve the initial posting of the draft interpretation and then to also approve the posting of the final version of the interpretation are not in the existing approved Reliability Standards Development Procedure, there is no indication that these steps are necessary, and the addition of these steps would elongate the process to the point where the interpretation would take several additional months longer than the 90 days identified in the purpose. Note that today the target is to develop an interpretation within 45 days of receipt.</p>			
Southern Company Transmission SERC OC Standards Review Group	✓ ✓		A recommended flowchat or diagram of the procedure may provide more continuity between steps and reveal where some steps may be missing or eliminated. For example, on page 2 following the Initial Ballot, the Standards Program Administrator (SPA) is to "assemble comments and distribute initial ballots" to the drafting team. It seems appropriate that the SPA would perform a similar set of activities (assembly and distribution) following the 'Proposed Interpretation Posting' and 30-day comment period. This appears to be a 'missing' step. There should be a feedback loop between the drafting team and the requestor to ensure that the original request has been accurately understood and addressed and to ensure that the drafting team understands the timing needs of the requestor. This feedback loop should take place prior to commenting and balloting. The Standards Process Manager, in selecting the Interpretation Drafting Team, should achieve the same objectives in selecting the team as the Standard Committee uses for selecting Standard Drafting Teams. The Standards Process Manager should be required to report the formation of the Interpretation Drafting Team to the Standards Committee which should be permitted to revise the composition of the drafting team.
<p>Response: The feedback loop between the drafting team and the requester is inherent in the process. There are various instances of communication and exchange between all parties involved in the interpretation process. We do not feel every instance of communication, of which there may be many, need be documented in the Interpretation Process.</p>			
<p>The interpretation drafting team is typically a smaller group than the 10-15 participants which generally make up a SAR or Standard Drafting Team. The Standards Committee strives to ensure, to the extent possible, that all regions and segment types are represented on the SAR and Standards Drafting Teams. The Interpretation Drafting Team is more narrowly focused and works much faster than a larger group could. As such, the parameters driving the composition of a SAR or Standard Drafting Team would likely be an impediment to the more nimble execution of</p>			

Consideration of Comments on Standards Interpretation Procedure

Organization	Yes	No	Comment
processing an interpretation as opposed to drafting a SAR or a Standard.			
FirstEnergy	✓		<p>1. It is not clear how the process concludes after the last activities performed by the Standards Process Administrator are complete. How does the standard get updated (i.e. by adding the interpretation as an appendix)? When does the interpretation get submitted to FERC? When is the interpretation mandatory and enforceable (i.e. immediately upon FERC approval)? If this process is intended to be embedded within or appended to the NERC Standards Development Procedure, then no additional clarity may be required. But if intended as a stand alone document, we believe additional steps should be included for completeness.</p> <p>2. Under the activities performed by the Drafting Team after the initial ballot:- In the step "Review and respond to all comments" we suggest adding "ballot" before the word "comments".- In the step "If the comments do not indicate consensus for the interpretation, either:" we suggest adding the following as a first bullet item: "Revise the interpretation and submit to the Standards Process Administrator with a request for a recirculation ballot, or".</p>
<p>Response: Several commenters indicated that the steps following the balloting should be added and the procedure has been revised to add these.</p> <p>The suggestion to qualify the word, “comments” with the word, “ballot” has been adopted and is reflected in the revised procedure.</p>			
US Army Corps of Engineers		✓	The only thing missing is how to find the Request for Interpretation form on the NERC web site.
<p>Response: Agreed. The form has been posted, and a link to the form has been added to the procedure.</p>			
PacifiCorp		✓	
PJM Interconnection		✓	
NPCC Group		✓	
Entergy		✓	
Ameren		✓	

Consideration of Comments on Standards Interpretation Procedure

Organization	Yes	No	Comment
Seattle City Light		✓	
Exelon		✓	
Hydro One Networks Inc.		✓	
Bonneville Power Administration		✓	

Consideration of Comments on Standards Interpretation Procedure

6. If you have any other comments on this draft procedure that you haven't already provided in response to earlier questions, please provide them here.

Summary Consideration: Several commenters indicated that the form should be publicly posted and this has been done – in addition, the procedure was updated to include a link to the form.

Some commenters suggested the addition of an outline and flow chart and the committee declined to add these elements as the procedure is less than two pages long and doesn't seem complex enough to warrant the suggested additions.

The purpose statement was revised to remove the reference to tracking the development time as tracking the development time is not the purpose of the procedure.

Some commenters asked for a definition of the term, "consensus." The term, "consensus" as defined by ANSI and as required in NERC's ANSI-accredited standards development process. means that substantial agreement has been reached by directly and materially affected interests. This signifies the concurrence of more than a simple majority, but not necessarily unanimity. Consensus requires that all views and objections be considered, and that an effort be made toward their resolution.

Some commenters suggested that only those impacted by a standard should be eligible to request an interpretation. The committee thinks that some entities may elect to use a third party to request an interpretation to protect anonymity.

The committee did make some minor wording changes and corrected a typographical error in support of stakeholder comments. Please see the red line version of the procedure for these changes.

Organization	Comment
San Diego Gas and Electric Co	Like the person who posted previously, I am also unsure where to obtain an electronic copy of the Request for Interpretation form on the NERC website. I believe a link should be placed in a prominent place on the NERC Reliability Standards website. Thanks for your efforts to refine the process for processing requests for an interpretation. I see it as a positive step that should help bring consistency to the process.
Response: Agreed. The form has been posted on the "Resource Documents for Standards" web page, and a link to the form has been added to the procedure.	
City of Tallahassee	Assign some type of outline format to the procedure. This will make it easier to refer to specific steps or actions of the procedure.
Response: The procedure doesn't seem to be complex enough to warrant an outline in addition to the steps.	

Consideration of Comments on Standards Interpretation Procedure

Organization	Comment
Seattle City Light	Generally, I believe that all of the time periods are too long. Additionally, each time the procedure states an affirmative obligation (e.g. "assign a drafting team...."), there should be a specific time period set forth for taking the action (i.e. "within five days, assign a drafting team...."). In general, I would like to see the process streamlined.
<p>Response: While the interpretation process may take longer, the intent is to provide a better product that will meet stakeholder needs and also obtain regulatory approval.</p>	
Exelon	If approved, include this guidance in the Standards Development Procedure.
<p>Response: Agreed. This procedure if approved will be included in the next Standards Development Procedure update</p>	
American Transmission Company	The "Purpose" statement identifies that NERC "will track the time for processing of interpretation." ATC believes that NERC needs to track specific milestone information in order to 1) track ultimate completion times but 2) identify how the individual steps are contributing to the time line.
<p>Response: The purpose statement has been revised, and no longer includes the statement.</p>	
Entergy	Under the "Drafting Team" section, need to specify that the interpretation shall not place additional requirements upon an entity.
<p>Response: The interpretation cannot expand on what is already required in the requirement. The committee does not believe that additional words are needed.</p>	
Hydro One Networks Inc.	<p>Should requests for Interpretations be limited to registered entities that are impacted by the standard (i.e., user, owner, or operator of the BPS) in question?</p> <p>Should the draft Procedure reference the various stages of an interpretation similar to a request for Interchange. For example, should there be a) Request for Interpretation b) Proposed Interpretation, and c) Approved Interpretation.</p> <p>Also, the interpretation process (and associated diagrams and flowcharts) should show clear points of demarcation between the Request, Proposed, and Approved stages. "Consensus" needs to be defined for the process - is it a super majority? Does one "no vote" require reballoting? When is consensus not achieved? Will the current Standard Balloting process be utilized?</p>
<p>Response: Requests for interpretations must be available to all entities that are impacted by a standard – some entities may have</p>	

Consideration of Comments on Standards Interpretation Procedure

Organization	Comment
	<p>another entity file the request for them.</p> <p>We are trying to keep the process as simple as possible, without adding administrative steps that aren't necessary.</p> <p>The process is so simple that a flowchart doesn't seem to be necessary.</p> <p>The term "consensus" as defined by ANSI and as required in NERC's ANSI-accredited standards development process, means that substantial agreement has been reached by directly and materially affected interests. This signifies the concurrence of more than a simple majority, but not necessarily unanimity. Consensus requires that all views and objections be considered, and that an effort be made toward their resolution.</p> <p>The process for balloting an interpretation is the same as that for a standard.</p>
<p>Southern Company Transmission</p>	<ol style="list-style-type: none"> 1. It would be helpful if NERC made it clear where the "Request for Interpretation" form can be found on their website. 2. Regarding the activities performed by the Standard Process Manager: <ul style="list-style-type: none"> - In bullet one, "Requester" is misspelled. - In bullet two, we suggest adding after "provided": "and ask the Requester for additional information if necessary". - We suggest adding a bullet item as follows: "Review any relevant FERC Orders to determine if the unclear element was addressed by industry or FERC". 3. Regarding the activities performed by the Manager of Standards Development, it states "If the interpretation involves compliance elements of the standard, notify the Compliance Staff". We suggest adding some activities performed by the Compliance Staff when the interpretation involves compliance elements. 4. Regarding the activities performed by the Standards Committee: <ul style="list-style-type: none"> - For clarity, we suggest starting the first sentence with "If guidance is sought,". - Pursuant to our comment #1 in Question 5 above, we suggest adding activities for the SC after the interpretation is approved or rejected by industry.

Consideration of Comments on Standards Interpretation Procedure

Organization	Comment
	<p>5. In the first bullet in the set of activities performed by the Standards Process Administrator it states "Do you agree that this is a legitimate request for interpretation? To be considered legitimate, the request must seek clarification on an aspect of the standard that is unclear." We suggest adding "and the lack of clarity or an incorrect interpretation could result in a material impact." which would match the "Conditions" on page 1 of the interpretation process.</p>
<p>Response:</p> <ol style="list-style-type: none"> 1. The form has been posted on the "Resource Documents for Standards" web page, and a link to the form has been added to the procedure. 2. Spelling of the word, 'Requester" has been corrected; there is not a need to add , "and ask the Requester for additional information if necessary" as this is already covered in last bullet in this section of the procedure; and when the standards process manager searches the standard's archive, relevant references to FERC Orders should be discovered. It is not realistic to charge the standards process manager with the responsibility for searching through all possible FERC Orders. 3. References to the compliance elements of the standard have been removed and the procedure was revised to clarify that a request for interpretation is limited to clarification of the "requirements" in the standard. 4. The phrase, "if guidance is sought" was added as suggested. The steps in the process following balloting have been added as suggested. 5. Several commenters questioned the need to address "material impact" and the committee removed all references to "material impact" from the proposed procedure. 	
<p>Bonneville Power Administration</p>	<p>Should requests for Interpretations be limited to registered entities that are impacted by the standard (i.e., user, owner, or operator of the BPS) in question?</p> <p>Should the draft Procedure reference the various stages of an interpretation similar to a request for Interchange. For example, should there be: a) Request for Interpretation, b) Proposed Interpretation, and c) Approved Interpretation.</p> <p>Also, the interpretation process (and associated diagrams and flowcharts) should show clear points of demarcation between the Request, Proposed, and Approved stages."Consensus" needs to be defined for the process - is it a super majority? Does one "no vote" require reballoting? When is consensus not achieved? Will the current Standard Balloting process be utilized?</p>
<p>Response: Requests for interpretations must be available to all entities that are impacted by a standard – some entities may have</p>	

Consideration of Comments on Standards Interpretation Procedure

Organization	Comment
	<p>another entity file the request for them.</p> <p>We are trying to keep the process as simple as possible, without adding administrative steps that aren't necessary.</p> <p>The process is so simple that a flowchart doesn't seem to be necessary.</p> <p>The term, "consensus" as defined by ANSI and as required in NERC's ANSI-accredited standards development process, means that substantial agreement has been reached by directly and materially affected interests. This signifies the concurrence of more than a simple majority, but not necessarily unanimity. Consensus requires that all views and objections be considered, and that an effort be made toward their resolution.</p> <p>The process for balloting an interpretation is the same as that for a standard.</p>
PacifiCorp	<p>One issue that remains undefined for this as well as for all SARs and Standards is the definition of CONSENSUS. For most Interpretations this should not be a problem, but it is possible that an issue could arise that comes down to a close vote. One conflict is how to count the votes. Does each commenter get counted or does the count of votes be counted only for each ballot entity?</p>
	<p>Response: The term, "consensus" as defined by ANSI and as required in NERC's ANSI-accredited standards development process, means that substantial agreement has been reached by directly and materially affected interests. This signifies the concurrence of more than a simple majority, but not necessarily unanimity. Consensus requires that all views and objections be considered, and that an effort be made toward their resolution.</p> <p>The process for balloting an interpretation is the same as that for a standard.</p>
NERC Standards Review Subcommittee (NSRS)	<p>Should requests for Interpretations be limited to registered entities that are impacted by the standard (i.e., user, owner, or operator of the BPS) in question?</p> <p>Should the draft Procedure reference the various stages of an interpretation similar to a request for Interchange. For example, should there be a) Request for Interpretation b) Proposed Interpretation, and c) Approved Interpretation.</p> <p>Also, the interpretation process (and associated diagrams and flowcharts) should show clear points of demarcation between the Request, Proposed, and Approved stages. "Consensus" needs to be defined for the process - is it a super majority? Does one "no vote" require rebaloting? When is consensus not achieved? Will the current Standard Balloting process be utilized?</p>
	<p>Response: Requests for interpretations must be available to all entities that are impacted by a standard – some entities may have</p>

Consideration of Comments on Standards Interpretation Procedure

Organization	Comment
	another entity file the request for them.
	We are trying to keep the process as simple as possible, without adding administrative steps that aren't necessary.
	The process is so simple that a flowchart doesn't seem to be necessary.
	The term, "consensus" as defined by ANSI and as required in NERC's ANSI-accredited standards development process, means that substantial agreement has been reached by directly and materially affected interests. This signifies the concurrence of more than a simple majority, but not necessarily unanimity. Consensus requires that all views and objections be considered, and that an effort be made toward their resolution.
	The process for balloting an interpretation is the same as that for a standard.