

PROPOSED CHANGES TO NERC RULES OF PROCEDURE AND ASSOCIATED APPENDICES
**Comments of ACES Power Marketing, North Carolina Electric Membership Corporation and Old Dominion
Electric Cooperative**

Comments:

We appreciate the opportunity to provide comments on the Proposed Changes to the NERC Rules of Procedure (ROP) and associated Appendices (3A, 3B, 3C, 4A, 4B, 4C, 4D, 4E, 5A, 5B, 6 and 8), as well as the proposed new Appendix 2, Definitions of Terms Used in the Rules of Procedure.

Comments on the proposed new Appendix 2, Definitions of Terms Used in the Rules of Procedure

We believe the objectives of the proposed revisions have been achieved. We fully support the purpose of Appendix 2 which consolidates all definitions used in the ROPs and associated Appendices. However, we have several comments for consideration.

In the definition of "Bulk Power System," the last sentence is a bit confusing and should be clarified. As it is written, it appears to carve out the BES from the definition of BPS with the statement "The term does not include facilities ... solely for purposes of Appendix 4E, Bulk Electric System." We recognize this was not the intention and believe part (ii) of that sentence was intended to mean for Appendix 4E that Bulk Power System and Bulk Electric System are one in the same. If so, why does this only apply to Appendix 4E which covers the Compliance and Certification Committee Hearing Procedures, Hearing Procedures for Use in Appeals, and Mediation Procedures? For consistency, why wouldn't this apply to all of the Rules of Procedure including the CMEP? We believe FERC Order 743 and previous Commission precedent in Order 693 establish, at least at a minimum, that the BPS is the BES for the CMEP. The Commission in Order 743 clearly stated, "The Commission, the ERO, and the Regional Entities will continue to enforce Reliability Standards for facilities that are included in the bulk electric system."¹ Since the CMEP is used to enforce the reliability standards how could the BPS not be the BES?

The "CCC" is defined as "the NERC Compliance and Certification Committee" but there is no definition for the "NERC Compliance and Certification Committee." This should be defined as well.

The definition of "Critical Infrastructure Protection Standard" or "CIP Standard" should be modified to include all NERC Reliability Standards that begin with the prefix "CIP." Referencing a series of standards by number such as "CIP-002 through CIP-009" as in the current definition would require a modification to the definition if the number of CIP standards changes. And in referencing "Reliability Standards that begin with the prefix CIP" it would include CIP-001 which is not currently referenced in the definition.

The definition of "Effective Date" should be reconsidered to include "the mandatory and enforceable date of a Reliability Standard." Currently it is defined in reference to Technical Feasibility Exceptions only.

In reviewing the definitions in Appendix 2, "NERC Bylaws" are referenced within a few definitions. There is currently no definition of "NERC Bylaws." We suggest adding this definition to Appendix 2.

Several of the Appendices still have Definition and Glossary sections that should be considered for removal. We thank NERC for retaining these "for convenience of reference to the user." However, for administrative reasons we believe these sections should be removed from the Appendices and a note added in their place referencing Appendix 2, Definitions Used in the Rules of Procedure. Administratively if a term's definition is modified in Appendix 2 and it is also included in other Appendices, then the modifications would need to be made in those Appendices as well. By eliminating the Definition and Glossary sections from the Appendices that have them, only Appendix 2 would have to be modified when there is a change in definition.

¹ Order 743, 133 FERC ¶ 61,150 at P 100

Comments on proposed changes to Appendix 4C, NERC Compliance Monitoring and Enforcement Program

We suggest removing Section 1.1 (Definitions) of Appendix 4C and Section 1.1.5 of Attachment 2 – Hearing Procedures included in Appendix 4C since all definitions are now included in Appendix 2. In their place a reference statement to Appendix 2 for all definitions could be added.

Comments on proposed changes to Appendix 4D, Procedure for Requesting and Receiving Technical Feasibility Exceptions to NERC Critical Infrastructure Protection Standards

In Section 1.3 (Scope) of ROP Appendix 4D, the second CIP standard listed “CIP-006-3c: R1.1” says “including the Interpretation in Appendix 3.” This is an incorrect reference. Appendix 2 of CIP-006-3c contains an interpretation for R1.1. Appendix 3 of CIP-006-3c contains an interpretation for R4.

We suggest removing Sections 2.0 (Definitions) through 2.27 of ROP Appendix 4D since all definitions are now included in Appendix 2. In their place a reference statement to Appendix 2 could be added.

Comments on proposed changes to Appendix 4E, Compliance and Certification Committee Hearing Procedures, Hearing Procedures for Use in Appeals, and Mediation Procedures

We suggest removing Section 1.1.5 (Definitions) of Appendix 4E under the NERC Compliance and Certification Committee Hearing Procedures and Section 1.1.5 (Definitions) under the NERC Compliance and Certification Committee Hearing Procedures for Use in Appeals of Certification Matters since all definitions are now included in Appendix 2. In their place a reference statement to Appendix 2 could be added.

Comments on proposed changes to Appendix 5A, Organization Registration and Certification Manual

We suggest removing the Definitions at the end of Appendix 5A (pages 21-22) since all definitions are now included in Appendix 2. In its place a reference statement to Appendix 2 could be added.

Comments on proposed changes to Appendix 6, System Operator Certification Program Manual

We suggest removing the Glossary (pages 24-25) since all definitions are now included in Appendix 2. In its place a reference statement to Appendix 2 could be added.

Comments on proposed changes to the Rules of Procedure, Appendices 3A, 3B, 3C, 4A, 4B, 5B and 8

We have no comments to submit.