

via e-mail to ROPcomments@nerc.net

**Comments of the Transmission Access Policy Study Group on the September 2, 2011
Posting of Proposed Changes to the NERC Rules of Procedure**

The Transmission Access Policy Study Group (“TAPS”) is an association of transmission-dependent utilities in more than 30 states, promoting open and non-discriminatory transmission access.

TAPS appreciates the opportunity to comment on the proposed revisions to the NERC Rules of Procedure (“ROP”). NERC’s addition of a new Appendix to compile definitions used in the ROP, and its changes to consistently capitalize defined terms, are appropriate and for the most part improve the ROP. TAPS does, however, have some specific suggestions.

A. Appendix 2

While “Applicable Governmental Authority”¹ and “ERO Governmental Authority”² are both defined terms in the existing Rules of Procedure, the definitions of the two terms are nearly identical, and it would be preferable to use just one to avoid confusion and potential debates over NERC’s intent in using one or the other in a particular case.

The Appendix 2 definition of “Compliance Enforcement Authority’s Area of Responsibility” (at 4) should be revised to be fully consistent with the term’s definition in the Hearing Procedures. The definition in the Hearing Procedures refers to the “Region” (another Appendix 2 defined term) rather than the undefined “corporate region”; Appendix 2 should be conformed.

The definition of “Interpretation” should include a reference to Section 215 of the Federal Power Act. The full definition would thus read: “means an addendum to a Reliability Standard approved by the Commission under Section 215 of the Federal Power Act that provides additional clarity about one or more Requirements in the Reliability Standard.” The insertion is taken from the definition of “Reliability Standard.”

“Transmission” is a NERC Glossary-defined term³ and is used throughout the Rules of Procedure. Although other Glossary terms were included in Appendix 2, “Transmission” was not. It is not clear why “transmission” would not have the same meaning in the ROP as in Reliability Standards. The term should be added to Appendix 2.

¹ “‘Applicable Governmental Authority’ means the FERC within the United States and the appropriate governmental authority with subject matter jurisdiction over reliability within Canada and Mexico.” App. 2 at 2.

² “‘ERO Governmental Authority’ means a government agency that has subject matter jurisdiction over the reliability of the Bulk Power System within its jurisdictional territory. In the United States, the ERO Governmental Authority is the FERC. In Canada, the ERO Governmental Authority resides with applicable federal and provincial governments who may delegate duties and responsibilities to other entities. Use of the term is intended to be inclusive of all applicable authorities in the United States, Canada, and Mexico, and is not restricted to those listed here.” App. 2 at 7.

³ “An interconnected group of lines and associated equipment for the movement or transfer of electric energy between points of supply and points at which it is transformed for delivery to customers or is delivered to other electric systems.”

B. Sections 100-1600

Section 1208.6 says that “the *Regional Entity or entities* that believe the transfer [of a Registered Entity from one Regional Entity to another] is appropriate may, if requested to do so by the Registered Entity, file a petition with FERC... requesting that FERC order amendments to the delegation agreements of the two Regional Entities to effectuate the proposed transfer.” Emphasis added. The reference is clearly meant to be to Regional Entities filing a petition with FERC. Therefore, the italicized “entities” should be capitalized.

C. Sanction Guidelines

The word “requirement,” used in its Appendix 2 defined sense, is not consistently capitalized in Sanction Guidelines Section 4.3.1. All instances of the term should be capitalized.

Section 5 of the Sanction Guidelines refers to “Non-Monetary sanctions.” “Non-Monetary” is not a defined term, and so “monetary” should be lowercase.

D. Compliance Monitoring and Enforcement Program

Section 1.4.10 of the CMEP refers to “Allegations of Violations of different Reliability Standards.” “Allegation” is not a defined, nor is “Violation” or “Allegation of Violation.” The CMEP should instead use “Alleged Violations of different Reliability Standards.”

Hearing Procedures Section 1.3.2(g) refers to a “brief on exceptions” and “Brief in Reply to Exceptions.” Neither term is defined, and neither is capitalized in Hearing Procedures Section 1.7.5(a). Both should be lowercase in Section 1.3.2(g) as well.

E. Statement of Compliance Registry Criteria

“Reliability Coordinator” is defined in Appendix 2 and in Section II of the Statement of Compliance Registry Criteria. In Appendix 2, the definition appropriately and consistently refers to the Bulk Electric System. In the Statement of Compliance Registry Criteria, however, only one of the two existing references to the bulk power system was updated, leaving “The entity that is the highest level of authority who is responsible for the Reliable Operation of the *Bulk Power System*, has the Wide Area view of the *Bulk Electric System* ...” (emphasis added). It does not make sense to peg the Reliability Coordinator definition to an entity’s *responsibility* for the *BPS* but its *Wide Area view* of the *BES*. Since the definition in the Compliance Registry Criteria is inconsistent with the definition in Appendix 2, we believe that the failure to update both instances of “bulk power system” was an oversight, and suggest that it be corrected.

The word “facility,” which is a defined term in Appendix 2, is not capitalized in Section III.c.2. Capitalizing “facility” in this particular case would be inappropriate, because “Facility” as defined in Appendix 2 is necessarily part of the Bulk Electric System, which the Section III exclusion criteria should not presuppose. As a rule, however, NERC should avoid using Appendix 2 defined terms in a sense other than the defined one, whether capitalized or not.⁴

⁴ Since Reliability Standards, unlike the Rules of Procedure, have not been through this process of conforming capitalization of defined terms, however, the use in a Reliability Standard of an uncapitalized Glossary-defined term should never be assumed to intend a meaning other than that in the Glossary.