



**Date: 6/3/10**

**Subject: Request for Comments on proposed changes to NERC Rules of Procedure - Section 300**

The Empire District Electric Company (EDE) appreciates the opportunity to provide comment on NERC Rules of Procedure-Section 300

In regards to Rule 321, EDE does not endorse the addition of the rule to address the directives outside the existing standards process. EDE believes that the proposed changes will invalidate the existing process instead of incorporating a solution within the current process to address the regulatory directive

### Rule 321, Section 2

The existing processes for the submission and approval of proposals for a new standard or modifications to an existing standard are at a level with significant rigor to ensure the following:

- Clarity and removal of ambiguity
- Measurable and auditable requirements
- Complete in addressing concerns including the technical merit and basis
- Collaboration and democratic process to ensure reliability to primary consideration

With the proposed addition of rule 321, it seems to undermine the existing process and place fewer rigors around the process that ensures the integrity of the current standards as well as the integrity and reliability of the Bulk Electric System (BES). With the current process in place today, standards that do not achieve a two-thirds majority do not reach approval for many reasons and are an indication that a standard needs additional work to ensure the desired affect before reliability can be achieved or in some cases, the industry has prevented potential harm to the BES, or undesired effects on the BES that would make it less reliable due to the language proposed in a standard (even though it is obvious that the goal of the drafting team is to promote reliability of the BES and not hinder its reliability)

The standards process serves as an additional quality check for the standard to be applied in a way that achieves the positive outcome for the regulators as well as the industry. Changing the process solely because of FERC reliability concerns suggests that FERC reliability concerns and expertise exceed those of the Industry and NERC, undermining the expertise of NERC and the Industry as well as the process established by those two entities.

EDE recognizes that a procedure to ensure FERC directives are responded to in a timely manner is required. This process should become part of and work collaboratively with the existing process developed between NERC and Industry participants, not work outside of it or invalidate it.

Rule 321, Section 2.2

The proposal to differentiate negative votes between those with substantive comments and those without substantive comments in the standards development process is subjective and does not follow ANSI process. Guidelines for what is deemed a substantive comment are not transparent and subjective consideration of comments should not be a criterion for a vote that is counted or thrown out. If the vote is thrown out for lack of substantive comment, it cannot and should not be counted to establish quorum as that entities considerations for reasons the proposed standard should not pass have clearly been devalued.

The proposal here is to limit the application of negative votes toward approval consideration with those that have “substantive comment”. There is no documented process to prevent managing the proposed standard through the process using the added Rule 321 to achieve a desired outcome. This does not promote a transparent and open process and threatens to invalidate the entire approval process.

In addition, these changes do not promote the compliance environment where all entities are working together to ensure reliable operation of the BES as these votes become dictations to the industry without basis or technical expertise gathered from those operating the BES. These types of changes without the technical expertise operating the BES can lead to unwanted and undesired dire effects upon the nations BES.

Thank you,

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