



**Comment Form for: Draft NERC Rules of Procedure section 500 & Appendix 5 (Solicitation of public comments per [NERC bylaws](#) Article XI section 2)**

Please use this form to submit comments on the proposed *NERC Rules of Procedure section 500, Appendix 5, and TOP, RC & BA questionnaires*. Comments must be submitted by **August 8, 2008**, you may submit the completed form by e-mail to [jim.hughes@nerc.net](mailto:jim.hughes@nerc.net) with the words "**Certification Process**" in the subject line. Additionally, if you wish to redline your comments, these documents are provided to you in Word. If you have any questions please contact Jim Hughes by telephone at 609-203-2288.

**Background Information:**

During the September 12, 2007 joint meeting of the Standards Committee (SC) and the Compliance and Certification Committee (CCC), the SC and CCC agreed to translate the work done on the following draft standards into a new certification process under the CCC:

- Transmission Operator Certification Standards (ORG-001 through ORG-008)
- Balancing Authority Certification Standards (ORG-009 through ORG-018)
- Reliability Coordinator Certification Standards (ORG-020 through ORG-027)

The CCC's Organization Registration & Certification Subcommittee (ORCS) has translated the essential elements of the above draft certification standards into new entity certification processes and want to post the new processes for comment (RoP 500, Appendix 5, and questionnaires).

Therefore, the ORCS is soliciting for public review and comments on the draft revisions to the NERC Rules of Procedure section 500, Appendix 5, and the TOP, BA, RC questionnaires relating to the certification process.

| Commenter Information  |  |
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| (Check all that apply): <input checked="" type="checkbox"/> RC <input checked="" type="checkbox"/> BA <input checked="" type="checkbox"/> TOP <input type="checkbox"/> TO <input checked="" type="checkbox"/> PA <input checked="" type="checkbox"/> TP <input type="checkbox"/> GO <input type="checkbox"/> GOP <input type="checkbox"/> LSE <input checked="" type="checkbox"/> RP <input checked="" type="checkbox"/> TSP <input type="checkbox"/> DP <input type="checkbox"/> PSE <input checked="" type="checkbox"/> IA <input type="checkbox"/> Region <input type="checkbox"/> NERC <input type="checkbox"/> NA |  |

Do you wish to have NERC contact you regarding your comments?  Yes  No





**Comment Form — Draft NERC Rules of Procedure section 500 & Appendix 5**

▷**Comment:** Section 507 (Joint Registration Organization)

This section is too casual about what a JRO is and is not.

Article 1 (as noted above) implies a JRO is a business arrangement that permits one (rather than many) entities to deal with registration.

Article 2 seems to play down the formal JROs, and addresses only JROs that have agreements in writing. But then what about JROs that don't have agreements? What happens when they don't agree on who is responsible for what requirement? Will NERC be able to impose penalties on a quasi-legal union? What if no member of that union owns up to the non-compliance? The Rules state that the entity registered as the JRO is responsible. But then that only has meaning as long as the registered entity is a user, owner or operator. Should a requirement be inserted mandating registration only for users, owners, or operators?

Article 3 states that NERC may ask for clarification regarding JROs; but the Rules do not discuss what happens if the entity does not satisfy the NERC concern. Is the RE obligated to get someone to fill the gap? Is the ERO obligated? If there were no formal agreement of duties and obligations then who will be the default provider?

Article 7 references the Appeals Process for JROs. But if the JRO has no agreement on how to allocate non-compliance penalties, then how will the JRO members be held non-compliant?

Document that the comment applies to:      RoP 500       Appendix 5       Provisional Certification   
TOP Questionnaire       BA Questionnaire       RC Questionnaire

Section that comment applies to: 507

Recommended solution: The RoP regarding JROs should state explicitly that in order to be recognized as a JRO, the JRO must have a formal Agreement that identifies the members, the members' obligations, the process for allocation non-compliance penalties, and the process the JRO will use to resolve compliance disputes.

Add section that manadtes that in the event no member(s) is identified as responsible for a violation, then the entity that registered for the JRO will be held accountable for non-compliance penalties.

**Comment Form — Draft NERC Rules of Procedure section 500 & Appendix 5**

▷**Comment:** Appendix 5 (Organization Registration and Certification Manual)

At this moment all areas are by definition adequately covered by RCs, TOPs and BAs. If a new entity fails to be certified, then there is no problem. But, when an existing member fails, then there is a problem (a problem not addressed in this proposal) - can that entity be allowed to continue to operate? If not, then who fills the identified gap(s)?

Also missing is the process for changing over from one certified member to another. What happens if a new entity is certified but the old entity wants to remain?

What happens when a new entity is certified, how does that entity segue into the operational system?

What are the obligations of the entity being replaced?

Document that the comment applies to:            RoP 500             Appendix 5     Provisional Certification   
   TOP Questionnaire             BA Questionnaire             RC Questionnaire

Section that comment applies to:

Recommended solution: The Rules of Procedure require a section to deal with such disputes.

