

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

OFFICE OF ELECTRIC RELIABILITY

North American Electric Reliability Corporation  
Docket No. RD14-8-000

June 18, 2014

North American Electric Reliability Corporation  
1325 G Street N.W., Suite 600  
Washington, D.C. 20005

Attention: Holly A. Hawkins, Associate General Counsel  
North American Electric Reliability Corporation

Reference: Petition for Approval of Proposed Interpretation of Regional Reliability  
Standard TOP-007-WECC-1

Dear Ms. Hawkins:

On March 12, 2014, the North American Electric Reliability Corporation (NERC) filed a petition seeking approval of proposed regional Reliability Standard TOP-007-WECC-1a, an Interpretation of regional Reliability Standard TOP-007-WECC-1 (System Operating Limits). NERC states that the proposed Interpretation clarifies that the requirements contained in TOP-007-WECC-1 apply only to transmission operators and not to path operators, a WECC designation that is not addressed in relevant materials concerning NERC Reliability Standards.<sup>1</sup>

Arizona Public Service (APS) submitted an Interpretation request to WECC, asserting that TOP-007-WECC-1, Requirement R1, creates potential confusion,

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<sup>1</sup> NERC Petition at 3.

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especially regarding transmission paths with multiple transmission operator areas. In APS' view, "[c]ompliance obligations of Transmission Operators under regional Reliability Standard TOP-WECC-1 in such situations are unclear and open to interpretation given the possibility for confusion regarding the roles and responsibilities of Path Operators in those circumstances."<sup>2</sup> Applicability section 4.1 of TOP-007-WECC-1 states that the Reliability Standard applies to "Transmission Operators for the transmission paths in the most current Table titled 'Major WECC Transfer Paths in the Bulk Electric System.'" Requirement R1 addresses actual power flows exceeding an SOL for a transmission path, stating that "Transmission Operators shall take immediate action to reduce the actual power flow across the path such that at no time shall the power flow for the Transmission path exceed the SOL for more than 30 minutes."

NERC explains that while in the past WECC assigned path operators to each WECC transfer path covered by TOP-007-WECC-1, such entities are not recognized in the NERC Functional Model, nor are path operators included in NERC's Statement of Compliance Registry Criteria.<sup>3</sup> According to APS, the legacy term "path operator", and its potential overlap with transmission operator, could result in confusion and "significant non-compliance risks for regional entities and could adversely affect regional reliability."<sup>4</sup>

The proposed Interpretation of TOP-007-WECC-1 Requirement R1, developed by the original standard drafting team for the Reliability Standard and approved by the WECC board on December 5, 2013 and the NERC board on February 6, 2014, clarifies that "[T]he NERC Functional Model 4, in effect at the time the standard was drafted, did not include Path Operators as an approved applicable entity; therefore, the document only applies to the stated Transmission Operators and does not apply to Path Operators."<sup>5</sup> NERC states that the proposed Interpretation "neither expands upon any Requirement nor explains how to comply with any Requirement. The proposed Interpretation provides guidance on the meaning of the Applicability section and Requirement R1 based on WECC and NERC RSDP", in accordance with the limitations on Interpretations contained in the NERC Standards Process Manual.<sup>6</sup>

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<sup>2</sup> Id. at 9.

<sup>3</sup> Id. at 8.

<sup>4</sup> Id. at 9.

<sup>5</sup> Id. at 11.

<sup>6</sup> Id. at 10.

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NERC's filing was noticed on March 18, 2014, with comments, interventions and protests due on or before April 17, 2014. The Commission received no filings.

NERC's uncontested filing is hereby approved pursuant to the relevant authority delegated to the Director, Office of Electric Reliability under 18 C.F.R. § 375.303, effective as of the date of this Order.

This action shall not be construed as approving any other application, including proposed revisions of Electric Reliability Organization or Regional Entity rules or procedures pursuant to 18 C.F.R. § 375.303(a)(2)(i). Such action shall not be deemed as recognition of any claimed right or obligation associated therewith and such action is without prejudice to any findings or orders that have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the Electric Reliability Organization or any Regional Entity.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

Sincerely,

Michael Bardee, Director  
Office of Electric Reliability

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