

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ELECTRIC RELIABILITY

North American Electric Reliability Corporation
Docket No. RD14-4-000

June 30, 2014

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

Attention: Stacey Tyrewala
Senior Counsel for North American Electric Reliability Corporation

Reference: Petition of the North American Electric Reliability Corporation for
Approval of Proposed Reliability Standards for Interchange Scheduling and
Coordination.

Dear Ms. Tyrewala:

On February 27, 2014, the North American Electric Reliability Corporation (NERC) filed a petition (Petition) seeking approval of revised Reliability Standards INT-004-3 (Dynamic Transfers), INT-006-4 (Evaluation of Interchange Transactions), INT-009-2 (Implementation of Interchange), INT-010-2 (Interchange Initiation and Modification for Reliability), and one new proposed Reliability Standard INT-011-1 (Intra Balancing Authority Transaction Identification), the associated implementation plan, violation risk factors and violation severity levels, and the retirement of the currently-effective Reliability Standards INT-001-3 (Interchange Information), INT-003-3 (Interchange Transaction Implementation), INT-005-3 (Interchange Authority Distributes Arranged Interchange), INT-007-1 (Interchange Confirmation), and INT-008-3 (Interchange Authority Distributes Status). NERC also proposes revisions to ten definitions and four new definitions to be added to the Glossary of Terms Used in NERC Reliability Standards (NERC Glossary of Terms).

The Petition states that the purpose of the proposed Reliability Standards is to improve reliability by making transactions more apparent for reliability assessments and

by clarifying which functional entities perform interchange authority tasks.¹ The Petition further states that the interchange authority is the responsible entity that authorizes implementation of valid and balanced interchange schedules between balancing authority areas, and ensures communication of interchange information for reliability assessment purposes.²

NERC states that the currently enforceable set of Interchange Scheduling and Coordination Reliability Standards consists of nine Reliability Standards with thirteen requirements. NERC asserts that, collectively, the five proposed Reliability Standards consolidate the body of Interchange Scheduling and Coordination Reliability Standards, which now consist of fourteen requirements.

Reliability Standard INT-004-3 requires that dynamic schedules and pseudo-ties are communicated and accounted for in congestion management procedures.³ Reliability Standard INT-006-4 requires that reliability assessments are conducted for each arranged interchange prior to implementation. Attachment 1 of Reliability Standard INT-006-4 contains the timing requirements for each of the interconnections. Reliability Standard INT-009-3 requires balancing authorities to implement the interchange as agreed during the interchange confirmation process. Reliability Standard INT-010-2 provides guidance for required actions on a confirmed interchange for reliability reasons. Reliability Standard INT-010-2 provides clarity as to which entity is required to perform a reliability-related task during an interchange transaction. Reliability Standard INT-011-1 is a new Reliability Standard designed to ensure that transfers within a balancing authority area using point-to-point transmission service are communicated and accounted for in congestion management procedures. Reliability Standard INT-011-1 addresses a Commission directive in Order No. 693.⁴

NERC's filing was noticed on February 27, 2014, with comments, interventions and protests due on or before March 31, 2014. Edison Electric Institute filed a timely motion to intervene, and Electric Power Supply Association submitted a motion to intervene out-of-time. Neither pleading raises substantive issues.

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,

¹ NERC Petition at 3.

² *Id.* at 6.

³ *Id.* at 3.

⁴ *Mandatory Reliability Standards for the Bulk-Power System*, Order No. 693, 72 FR 16416 (Apr. 4, 2007), FERC Stats. & Regs. ¶ 31,242, at P 817, *order on reh'g*, Order No. 693-A, 120 FERC ¶ 61,053 (2007).

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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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