

140 FERC ¶ 61,203  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

18 CFR Part 40

[Docket No. RM12-12-000]

Regional Reliability Standard PRC-006-NPCC-1 —  
Automatic Underfrequency Load Shedding

(Issued September 20, 2012)

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of Proposed Rulemaking.

SUMMARY: Under section 215 of the Federal Power Act (FPA),<sup>1</sup> the Federal Energy Regulatory Commission (Commission) proposes to approve regional Reliability Standard PRC-006-NPCC-1 (Automatic Underfrequency Load Shedding). The North American Electric Reliability Corporation (NERC) submitted the proposed regional Reliability Standard to the Commission for approval. The proposed regional Reliability Standard applies to generator owners, planning coordinators, distribution providers, and transmission owners in the Northeast Power Coordinating Council Region and is designed to ensure the development of an effective automatic underfrequency load shedding (UFLS) program to preserve the security and integrity of the Bulk-Power System during declining system frequency events, in coordination with the NERC continent-wide UFLS Reliability Standard PRC-006-1. The Commission also proposes

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<sup>1</sup> 16 U.S.C. 824(o) (2006).

to approve the associated violation risk factors and violation severity levels, implementation plan, and effective dates proposed by NERC.

DATES: Comments are due [INSERT DATE 60 days after publication in the **FEDERAL REGISTER**]

ADDRESSES: Comments, identified by docket number, may be filed in the following ways:

- Electronic Filing through <http://www.ferc.gov>. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not in a scanned format.
- Mail/Hand Delivery: Those unable to file electronically may mail or hand-deliver comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, NE, Washington, DC 20426.

*Instructions*: For detailed instructions on submitting comments and additional information on the rulemaking process, see the Comment Procedures Section of this document

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SUPPLEMENTARY INFORMATION:

140 FERC ¶ 61,203  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Regional Reliability Standard PRC-006-NPCC-1 — Docket No. RM12-12-000  
Automatic Underfrequency Load Shedding

NOTICE OF PROPOSED RULEMAKING

(Issued September 20, 2012)

1. Under section 215 of the Federal Power Act (FPA), the Federal Energy Regulatory Commission (Commission) proposes to approve regional Reliability Standard PRC-006-NPCC-1 (Automatic Underfrequency Load Shedding). The North American Electric Reliability Corporation (NERC) submitted the proposed regional Reliability Standard to the Commission for approval. The proposed regional Reliability Standard applies to generator owners, planning coordinators, distribution providers, and transmission owners in the Northeast Power Coordinating Council (NPCC) Region and is designed to ensure the development of an effective automatic underfrequency load shedding (UFLS) program to preserve the security and integrity of the Bulk-Power System during declining system frequency events, in coordination with NERC's continent-wide UFLS Reliability Standard PRC-006-1.
2. The Commission also proposes to approve the associated violation risk factors (VRF) and violation severity levels (VSL), implementation plan, and effective dates proposed by NERC.

## **I. Background**

### **A. Mandatory Reliability Standards**

3. Section 215 of the FPA requires a Commission-certified Electric Reliability Organization (ERO) to develop mandatory and enforceable Reliability Standards that are subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by NERC, subject to Commission oversight, or by the Commission independently.<sup>2</sup>

4. A Regional Entity may develop a Reliability Standard for Commission approval to be effective in that region only.<sup>3</sup> In Order No. 672, the Commission stated that:

As a general matter, we will accept the following two types of regional differences, provided they are otherwise just, reasonable, not unduly discriminatory or preferential and in the public interest, as required under the statute: (1) a regional difference that is more stringent than the continent-wide Reliability Standard, including a regional difference that addresses matters that the continent-wide Reliability Standard does not; and (2) a regional Reliability Standard that is necessitated by a physical difference in the Bulk-Power System.<sup>4</sup>

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<sup>2</sup> See 16 U.S.C. § 824o(e) (2006).

<sup>3</sup> 16 U.S.C. § 824o(e)(4). A Regional Entity is an entity approved by the Commission to enforce Reliability Standards under delegated authority from the ERO. See 16 U.S.C. § 824o(a)(7) and (e)(4).

<sup>4</sup> *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards*, Order No. 672, FERC Stats. & Regs. ¶ 31,204, at P 291, *order on reh'g*, Order No. 672-A, FERC Stats. & Regs. ¶ 31,212 (2006)).

5. On April 19, 2007, the Commission accepted delegation agreements between NERC and each of the eight Regional Entities.<sup>5</sup> In the order, the Commission accepted NPCC as a Regional Entity.

6. NERC Reliability Standard PRC-006-1 establishes continent-wide design and documentation requirements for UFLS programs that arrest declining frequency and assist recovery of frequency following system events leading to frequency degradation.

**B. Proposed Regional Reliability Standard PRC-006-NPCC-1**

7. On May 4, 2012, NERC petitioned the Commission to approve proposed regional Reliability Standard PRC-006-NPCC-1 and the associated VRFs and VSLs, effective dates, and implementation plan.<sup>6</sup> NERC states that the proposed regional Reliability Standard is just, reasonable, not unduly discriminatory or preferential, and in the public interest because it satisfies the factors set forth in Order No. 672, which the Commission applies when reviewing a proposed Reliability Standard.<sup>7</sup> NERC states that PRC-006-NPCC-1 also satisfies the additional criteria required for approval of regional Reliability

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<sup>5</sup> *North American Electric Reliability Corp.*, 119 FERC ¶ 61,060, *order on reh'g*, 120 FERC ¶ 61,239 (2007).

<sup>6</sup> Proposed regional Reliability Standard PRC-006-NPCC-1 is available on the Commission's eLibrary document retrieval system in Docket No. RM12-12-000 and on the NERC website, [www.nerc.com](http://www.nerc.com). On August 3, 2012, NERC filed an errata attaching the proposed implementation plan.

<sup>7</sup> NERC Petition at 9-29 (citing Order No. 672, FERC Stats. & Regs. ¶ 31,204 at PP 323-335, 444).

Standards because it adds specificity not contained in the NERC continent-wide UFLS Reliability Standard PRC-006-1.<sup>8</sup>

8. Proposed regional Reliability Standard PRC-006-NPCC-1 has 23 requirements, each having an associated measure of compliance. The proposed standard also includes Figure 1, which includes a curve that establishes a threshold for setting underfrequency trip protection for generators in the portion of the NPCC Region in the Eastern Interconnection. NERC explains that the proposed regional Reliability Standard is based on the program characteristics defined within NPCC Directory #12 Underfrequency Load Shedding Program Requirements, which contains the criteria that govern the NPCC Automatic UFLS program that have been in place since June 26, 2009.<sup>9</sup> NERC states that the proposed regional Reliability Standard will achieve a coordinated, comprehensive UFLS region-wide consistent program within the NPCC Region and provides the regional requirements necessary to achieve and facilitate the broader program characteristics contained in the requirements of the NERC Reliability Standard PRC-006-1.<sup>10</sup> NERC states that the proposed regional Reliability Standard is designed to work in conjunction with and augment Reliability Standard PRC-006-1 by mitigating the consequences of an underfrequency event, while accommodating differences in system transmission and distribution topology among NPCC planning coordinators due to

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<sup>8</sup> NERC Petition at 29-30.

<sup>9</sup> *Id.* at 11.

<sup>10</sup> *Id.* at 29-30.

historical design criteria, makeup of load demands, and generation resources.<sup>11</sup> NERC further states that the proposed regional Reliability Standard also facilitates uniformity, compliance, and clearly delineates what the applicable entities' requirements are within the NPCC Region to achieve a robust, reliable and effective UFLS program.<sup>12</sup>

9. NERC also proposes VRFs and VSLs for each requirement of the proposed regional Reliability Standard and an implementation plan and effective dates. NERC states that these proposals were developed and reviewed for consistency with NERC and Commission guidelines.

10. NERC proposes two effective dates for the proposed regional Reliability Standard. NERC states that Requirements R1 through R7 would become effective on the first day of the first calendar quarter following applicable regulatory approval but no earlier than January 1, 2016. The implementation plan states that the January 1, 2016 effective date for Requirements R1 through R7 is meant to allow for completion of the on-going six-year implementation period for NPCC Directory #12 Underfrequency Load Shedding Program Requirements.<sup>13</sup> The implementation plan provides that the plan for "this

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<sup>11</sup> *Id.* at 30.

<sup>12</sup> *Id.*

<sup>13</sup> NPCC Directory #12 Underfrequency Load Shedding Program Requirements contains the pre-existing criteria that govern the NPCC Automatic UFLS program developed by the NPCC Working Group on Inter-Area Dynamic Analysis. NERC Petition at 11. The implementation plan was submitted as an exhibit to the August 3, 2012 NERC errata filing. As found on the Commission's eLibrary system in Docket No. RM12-12-000, the implementation plan is located in Exhibit A (PRC-006-NPCC-1 — Automatic Underfrequency Load Shedding Regional Reliability Standard Proposed and (continued)



standard is based, in part, on the timelines reflected in the existing and ongoing Implementation Plan for NPCC Directory #12 absent the annual milestones required by Directory #12.”<sup>14</sup> With respect to Requirements R8 through R23, NERC proposes that they become effective the first day of the first calendar quarter two years following applicable regulatory approval.

## **II. Discussion**

### **A. PRC-006-NPCC-1**

11. Pursuant to FPA section 215(d)(2), we propose to approve regional Reliability Standard PRC-006-NPCC-1 as just, reasonable, not unduly discriminatory or preferential, and in the public interest. Proposed regional Reliability Standard PRC-006-NPCC-1 is designed to operate in conjunction with the NERC continent-wide UFLS Reliability Standard PRC-006-1 by mitigating the consequences of underfrequency events, while accommodating differences in system transmission and distribution topology among NPCC planning coordinators due to historical design criteria, makeup of load demands, and generation resources.

12. The proposed regional Reliability Standard includes requirements not found in the corresponding NERC continent-wide UFLS Reliability Standard PRC-006-1 that are more stringent than Reliability Standard PRC-006-1 and accommodate differences in

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Implementation Plan for Approval) of the errata filing beginning at page 29 of the PDF electronic file submitted by NERC.

<sup>14</sup> *Id.*

system transmission and distribution topology among NPCC planning coordinators due to historical design criteria, makeup of load demands, and generation resources.<sup>15</sup>

13. For example, the generator underfrequency trip threshold in PRC-006-NPCC-1, Requirement R13 is more stringent than the threshold specified in the continent-wide Reliability Standard PRC-006-1. Requirement R13 of the proposed regional Reliability Standard requires generator owners to set their generator underfrequency trip relay setting below the generator underfrequency trip protection settings threshold shown in Figure 1, except as otherwise provided in Requirements R16 and R19. This requirement is more stringent than the corresponding requirement in Reliability Standard PRC-006-1, Requirement R4, because the continent-wide Reliability Standard requires a higher generator underfrequency trip setting.<sup>16</sup> In addition, the continent-wide Reliability Standard PRC-006-1 does not require generator owners to have compensatory load shedding provisions if their units trip above the underfrequency tripping threshold requirements specified in PRC-006-1, Attachment 1. By contrast, proposed regional Reliability Standard PRC-006-NPCC-1, Requirement R16.3, requires that each generator owner of existing non-nuclear units “[h]ave compensatory load shedding, as provided by a Distribution Provider or Transmission Owner that is adequate to compensate for the

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<sup>15</sup> NERC Petition at 29-30.

<sup>16</sup> Higher underfrequency trip settings result in generators tripping offline sooner than lower underfrequency trip settings.

loss of their generator due to early tripping.”<sup>17</sup> The proposed regional Reliability Standard PRC-006-NPCC-1 is therefore more stringent, while also accommodating NPCC’s generation resource mix, because it requires compensatory load shedding by existing non-nuclear units, but not existing nuclear units, to make up for the loss of generation due to early tripping of the generators.<sup>18</sup>

14. While we propose to approve regional Reliability Standard PRC-006-NPCC-1, the Commission seeks comment on: (1) the technical basis for the 57.8 Hz maximum tripping limit for existing nuclear units established in Requirement R19; and (2) the time-frames for actions that result in changes to the NPCC UFLS program.

15. First, Requirement R19 of the proposed regional Reliability Standard for existing nuclear generating plants provides that:

R19 Each Generator Owner of existing nuclear generating plants with units that have underfrequency relay threshold settings above the Eastern Interconnection generator tripping curve in Figure 1, based on their licensing design basis, shall: [Violation Risk Factor: High] [Time Horizon: Long Term Planning]

19.1 Set the underfrequency protection to operate at as low a frequency as possible in accordance with the plant design licensing limitations but not greater than 57.8Hz.

19.2 Set the frequency trip setting upper tolerance to no greater than + 0.1

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<sup>17</sup> Attachment B to proposed regional Reliability Standard PRC-006-NPCC-1 establishes the compensatory load shedding criteria for the portion of NPCC located in the United States for existing non-nuclear units.

<sup>18</sup> Compare proposed regional Reliability Standard PRC-006-NPCC-1, Requirement R16, with proposed regional Reliability Standard PRC-006-NPCC-1, Requirement R19.

Hz.

- 19.3 Transmit the initial frequency trip setting and any changes to the setting and the technical basis for the settings to the Planning Coordinator.

16. The NERC petition does not explain the technical basis for establishing 57.8 Hz as the maximum frequency at which existing nuclear units may trip pursuant to Requirement R19.1. The NERC petition states that the proposed regional Reliability Standard was based on the work of an NPCC working group.<sup>19</sup> However, the NERC petition and its attachments do not provide any information as to how the 57.8 Hz figure was developed. We seek comment from NPCC, NERC, and other interested entities explaining the technical basis for the 57.8 Hz limit established in Requirement R19.1.

17. Second, Requirement R3 of NERC's Reliability Standard PRC-006-1 requires the planning coordinator to set the schedule for the distribution providers and transmission owners to implement the UFLS program. The regional Reliability Standard PRC-006-NPCC-1, Requirements R5, R16.2, and R19.3, require distribution providers, transmission owners, and generator owners to provide, inform, and transmit exceptions to the UFLS program and justifications for the exceptions to the planning coordinator. The requirements, however, do not specify a time-frame for the completion of these actions. Requirements R5, R16.2, and R19.3 address actions that can result in changes to the UFLS program and should occur before the UFLS program is implemented, thus making it necessary for entities to provide the required information to the planning coordinator

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<sup>19</sup> NERC Petition at 11.

within a specified period of time. We note there are other requirements in the proposed regional Reliability Standard that also require actions of distribution providers, transmission owners, and generator owners that should occur before the UFLS program is implemented that include specific time-frames.<sup>20</sup> The Commission seeks comment on whether Requirements R5, R16.2, and R19.3 should also specify time-frames for completion of the required actions and, if so, the appropriate time-frames for each.

**B. Violation Risk Factors and Violation Severity Levels**

18. NERC states that each Requirement of the proposed regional Reliability Standard PRC-006-NPCC-1 includes one VRF and one VSL and that the ranges of penalties for violations will be based on the sanctions table and supporting penalty determination process described in the Commission-approved NERC Sanctions Guideline. The Commission proposes to approve the VRFs and VSLs for regional Reliability Standard PRC-006-NPCC-1 proposed by NERC as consistent with the Commission's established guidelines.<sup>21</sup>

**C. Implementation Plan and Effective Dates**

19. NERC proposes that Requirements R1 through R7 become effective on the first day of the first calendar quarter following applicable regulatory approval but no earlier than January 1, 2016 while Requirements R8 through R23 become effective the first day of the first calendar quarter two years following applicable regulatory approval. NERC

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<sup>20</sup> See, e.g., Requirements R11, R14, and R23 of proposed regional Reliability Standard PRC-006-NPCC-1.

<sup>21</sup> *North American Electric Reliability Corp.*, 135 FERC ¶ 61,166 (2011).

states that the implementation plan provides that “this standard is based, in part, on the timelines reflected in the existing and ongoing Implementation Plan for NPCC Directory #12 absent the annual milestones required by Directory #12.”<sup>22</sup> The Commission proposes to accept the implementation plan and effective dates proposed by NERC for regional Reliability Standard PRC-006-NPCC-1.

### **III. Information Collection Statement**

20. The Office of Management and Budget (OMB) regulations require that OMB approve certain reporting and recordkeeping (collections of information) imposed by an agency.<sup>23</sup> Upon approval of a collection(s) of information, OMB will assign an OMB control number and expiration date. Respondents subject to the filing requirements of this rule will not be penalized for failing to respond to these collections of information unless the collections of information display a valid OMB control number.

21. The Commission is submitting these reporting and recordkeeping requirements to OMB for its review and approval under section 3507(d) of the PRA. Comments are solicited on the Commission’s need for this information, whether the information will have practical utility, the accuracy of the provided burden estimate, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods for minimizing the respondent’s burden, including the use of automated information techniques.

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<sup>22</sup> NERC August 3, 2012 Errata at 29 of PDF electronic file.

<sup>23</sup> 5 C.F.R. § 1320.11.

22. This Notice of Proposed Rulemaking proposes to approve regional Reliability Standard PRC-006-NPCC-1. This is the first time NERC has requested Commission approval of the proposed regional Reliability Standard. NERC states in its petition that UFLS requirements have been in place at a continent-wide level and within NPCC for many years prior to implementation of the Commission-approved Reliability Standards in 2007. Because the UFLS requirements have been in place prior to the development of PRC-006-NPCC-1, the proposed regional Reliability Standard is largely associated with requirements that applicable entities are already following.<sup>24</sup> The proposed regional Reliability Standard PRC-006-NPCC-1 is designed to work in conjunction with and augment the NERC continent-wide UFLS Reliability Standard PRC-006-1 by mitigating the consequences of underfrequency events, while accommodating differences in system transmission and distribution topology among NPCC planning coordinators due to historical design criteria, makeup of load demands, and generation resources. The proposed regional Reliability Standard is only applicable to generator owners, planning coordinators, distribution providers, and transmission owners in the NPCC Region. The reporting requirements in proposed regional Reliability Standard PRC-006-NPCC-1 only pertain to entities within the NPCC Region.

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<sup>24</sup> See 5 C.F.R. § 1320.3(b)(2) (“The time, effort, and financial resources necessary to comply with a collection of information that would be incurred by persons in the normal course of their activities (e.g., in compiling and maintaining business records) will be excluded from the ‘burden’ if the agency demonstrates that the reporting, recordkeeping, or disclosure activities needed to comply are usual and customary.”).

23. Public Reporting Burden: Our estimate below regarding the number of respondents is based on the NERC Compliance Registry as of July 24, 2012. According to the NERC Compliance Registry, there are 2 planning coordinators and 135 generator owners within the United States portion of the NPCC Region. The Commission bases individual burden estimates on the time needed for planning coordinators to incrementally gather data, run studies, and analyze study results to design or update the UFLS programs that are required in the regional Reliability Standard in addition to the requirements of the NERC Reliability Standard PRC-006-1.<sup>25</sup> Additionally, generator owners must set each underfrequency trip relay below the appropriate generator underfrequency trip protection settings threshold curve in PRC-006-NPCC-1, Figure 1 and provide the generator underfrequency trip setting and time delay to its planning coordinator within 45 days of the planning coordinator's request. These burden estimates are consistent with estimates for similar tasks in other Commission-approved Reliability Standards. The following estimates relate to the requirements for this Notice of Proposed Rulemaking in Docket No. RM12-12-000 (For Planning Coordinators) and are in addition to the burden for the continent-wide Reliability Standard PRC-006-1, which was approved in Order No. 763 (approved by OMB Control No.1902-0244 on7/9/2012).

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<sup>25</sup> The burden estimates for Reliability Standard PRC-006-1 are included in Order No. 763 and are not repeated here.



<b>PRC-006-NPCC-1 (FERC-725L) (Automatic Underfrequency Load Shedding)<sup>26</sup></b>	Number of Respondents Annually (1)	Number of Responses per Respondent (2)	Average Burden Hours Per Response (3)	Total Annual Burden Hours (1)x(2)x(3)
PCs*: Design and document Automatic UFLS Program	2	1	8	16
PCs: Update and Maintain UFLS Program Database			16	32
GOs*: Provide Documentation and Data to the Planning Coordinator	135	1	16	2160
GOs: Record Retention			4	540
<b>Total</b>				2748

\*PC=planning coordinator; GO=generator owner

Total Annual Hours for Collection: (Compliance/Documentation) = 2,748 hours.

Total Reporting Cost for planning coordinators: = 48 hours @ \$120/hour = \$5,760.

Total Reporting Cost for generator owners: = 2,160 hours @ \$120/hour = \$259,200.

Total Record Retention Cost for generator owners: 540 hours @ \$28/hour = \$15,120.

Total Annual Cost (Reporting + Record Retention)<sup>27</sup>: = \$5760 + \$259,200 +\$15,120 = \$280,080.

Title: Mandatory Reliability Standards for the NPCC Region

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<sup>26</sup> Proposed regional Reliability Standard PRC-006-NPCC-1 applies to planning coordinators, transmission owners, distribution providers and generator owners. However, the burden associated with the transmission owners and distribution providers is not included within this table because the Commission accounted for it under Commission-approved Reliability Standards PRC-006-1, PRC-007-0 and PRC-009-0.

<sup>27</sup> The Commission bases the hourly reporting cost on the cost of an engineer to implement the requirements of the rule. The record retention cost comes from Commission staff research on record retention requirements.

Action: Proposed Collection FERC-725L.

OMB Control No.: To be determined.

Respondents: Businesses or other for-profit institutions; not-for-profit institutions.

Frequency of Responses: On Occasion.

Necessity of the Information: This proposed rule proposes to approve the regional Reliability Standard pertaining to automatic underfrequency load shedding. The proposed regional Reliability Standard helps ensure the development of an effective UFLS program that preserves the security and integrity of the Bulk-Power System during declining system frequency events in coordination with the continent-wide Reliability Standard PRC-006-1 requirements.

Internal Review: The Commission reviewed the proposed regional Reliability Standard and made a determination that its action is necessary to implement section 215 of the FPA. These requirements, if accepted, should conform to the Commission's expectation for UFLS programs as well as procedures within the NPCC Region.

24. Interested persons may obtain information on the reporting requirements by contacting the following: Federal Energy Regulatory Commission, 888 First Street, NE Washington, DC 20426 [Attention: Ellen Brown, Office of the Executive Director, e-mail: DataClearance@ferc.gov, phone: (202) 502-8663, fax: (202) 273-0873].

25. For submitting comments concerning the collection(s) of information and the associated burden estimate(s), please send your comments to the Commission and to the Office of Management and Budget, Office of Information and Regulatory Affairs, Washington, DC 20503 [Attention: Desk Officer for the Federal Energy Regulatory

Commission, phone: (202) 395-4638, fax: (202) 395-7285]. For security reasons, comments to OMB should be submitted by e-mail to: oira\_submission@omb.eop.gov. Comments submitted to OMB should include FERC-725L and Docket Number RM12-12-000.

#### **IV. Environmental Analysis**

26. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>28</sup> The Commission has categorically excluded certain actions from this requirement as not having a significant effect on the human environment. Included in the exclusion are rules that are clarifying, corrective, or procedural or that do not substantially change the effect of the regulations being amended.<sup>29</sup> The actions proposed here fall within this categorical exclusion in the Commission's regulations.

#### **V. Regulatory Flexibility Act Certification**

27. The Regulatory Flexibility Act of 1980 (RFA)<sup>30</sup> generally requires a description and analysis of any rules that will have significant economic impact on a substantial number of small entities. The RFA mandates consideration of regulatory alternatives that accomplish the stated objectives of a proposed rule and that minimize any significant economic impact on a substantial number of small entities. The Small Business

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<sup>28</sup> *Regulations Implementing the National Environmental Policy Act of 1969*, Order No. 486, FERC Stats. & Regs., Regulations Preambles 1986-1990 ¶ 30,783 (1987).

<sup>29</sup> 18 C.F.R. § 380.4(a)(2)(ii).

<sup>30</sup> 5 U.S.C. 601-612.

Administration's (SBA) Office of Size Standards develops the numerical definition of a small business.<sup>31</sup> The SBA has established a size standard for electric utilities, stating that a firm is small if, including its affiliates, it is primarily engaged in the transmission, generation and/or distribution of electric energy for sale and its total electric output for the preceding twelve months did not exceed four million megawatt hours.<sup>32</sup>

28. Proposed regional Reliability Standard PRC-006-NPCC-1 proposes to achieve a coordinated, comprehensive UFLS region-wide consistent program within the NPCC Region to achieve and facilitate the broader program characteristics contained in the requirements of the continent-wide Reliability Standard PRC-006-1.<sup>33</sup> It will be applicable to planning coordinators, generator owners, transmission owners and distribution providers. Comparison of the NERC Compliance Registry with data submitted to the Energy Information Administration on Form EIA-861 indicates that 5 small entities are registered as generator owners in the United States portion of the NPCC Region.<sup>34</sup> The Commission estimates that the small generator owners to whom the proposed regional Reliability Standard applies will incur compliance and record keeping costs of \$10,160 (\$2,032 per generator owner). Accordingly, proposed regional

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<sup>31</sup> 13 C.F.R. 121.101.

<sup>32</sup> 13 C.F.R. 121.201, Sector 22, Utilities & n.1.

<sup>33</sup> NERC Petition at 29-30

<sup>34</sup> The two planning coordinators in the United States portion of the NPCC Region are not considered small entities.

Reliability Standard PRC-006-NPCC-1 should not impose a significant operating cost increase or decrease on the affected small entities.

29. Further, NERC explains that the cost for smaller entities to implement regional Reliability Standard PRC-006-NPCC-1 was considered during the development process. NERC states that proposed regional Reliability Standard PRC-006-NPCC-1 provides an opportunity for smaller entities to aggregate their load with other such entities in the same electrical island. This allows each smaller entity's respective planning coordinator to achieve the desired aggregate outcome within that island according to program characteristics.<sup>35</sup>

30. Based on this understanding, the Commission certifies that the regional Reliability Standard will not have a significant economic impact on a substantial number of small entities. Accordingly, no regulatory flexibility analysis is required.

## **VI. Comment Procedures**

31. The Commission invites interested persons to submit comments on the matters and issues proposed in this notice to be adopted, including any related matters or alternative proposals that commenters may wish to discuss. Comments are due [INSERT DATE 60 days after publication in the **FEDERAL REGISTER**]]. Comments must refer to Docket No. RM12-12-000, and must include the commenter's name, the organization they represent, if applicable, and their address in their comments.

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<sup>35</sup> NERC Petition at 25.

32. The Commission encourages comments to be filed electronically via the eFiling link on the Commission's web site at <http://www.ferc.gov>. The Commission accepts most standard word processing formats. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not in a scanned format. Commenters filing electronically do not need to make a paper filing.

33. Commenters that are not able to file comments electronically must send an original of their comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

34. All comments will be placed in the Commission's public files and may be viewed, printed, or downloaded remotely as described in the Document Availability section below. Commenters on this proposal are not required to serve copies of their comments on other commenters.

## **VII. Document Availability**

35. In addition to publishing the full text of this document in the Federal Register, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (<http://www.ferc.gov>) and in the Commission's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street, NE, Room 2A, Washington DC 20426.

36. From the Commission's Home Page on the Internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and

Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

37. User assistance is available for eLibrary and the Commission's website during normal business hours from the Commission's Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or the Public Reference Room at (202) 502-8371, TTY (202) 502-8659. E-mail the Public Reference Room at [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

By direction of the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.