

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

**Revisions to Electric Reliability) Docket Nos. RM12-6-000
Organization Definition of Bulk Electric System) RM12-7-000
And Rules of Procedure**

**INFORMATIONAL FILING OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION**

The North American Electric Reliability Corporation (“NERC”) definition of the term “Bulk Electric System” (“BES”) is an integral part of the NERC Reliability Standards and is included in the NERC Glossary of Terms Used in Reliability Standards.¹ The initial determination of the BES Elements involves the Registered Entities’ application of the definition to the respective Elements. The Exception Process is then used to determine whether Element(s) may be included or excluded consistent with the reliability of the overall BES. The Exception Process, approved by the Federal Energy Regulatory Commission (“FERC” or the “Commission”) in Order No. 773,² is incorporated into the NERC Rules of Procedure and can be used to add Elements to, and remove Elements from, the BES.

Pursuant to Order No. 773,³ NERC is submitting this informational filing regarding how a list of facilities and Elements for which Exceptions have been granted and those for which an entity has made a self-determined exclusion, will be maintained. This informational filing also identifies how information will be made available to the Commission, Regional Entities, and to other interested persons.

¹ See Glossary of Terms Used in NERC Reliability Standards, available here: http://www.nerc.com/files/Glossary_of_Terms.pdf.

² *Revisions to Electric Reliability Organization Definition of Bulk Electric System and Rules of Procedure*, Order No. 773, 141 FERC ¶ 61,236 (2012), *order on reh’g*, 143 FERC ¶ 61,053 (2013).

³ *Id.* at P 310

I. BACKGROUND

The Registered Entities' application of the BES Definition to their respective Elements is the initial action in determining those Elements included within the BES. The Exception Process is then available to Registered Entities after the initial determination, to submit proposals as to whether an Element should be included as part of, or excluded from, the BES through this further refinement. Registered Entities are obligated to notify the Regional Entity of any self-determination of the status of BES Element(s). In Order No. 743, the Commission stated that NERC should maintain a list of facilities excepted from the BES that can be made available to the Commission upon request.⁴ In the BES Notice of Proposed Rulemaking, the Commission noted that it considers the maintenance of this list of facilities "an important feature for tracking exceptions."⁵ In Order No. 773, the Commission directed NERC to make an informational filing "detailing its plans to maintain a list and how it will make this information available to the Commission, Regional Entities, and potentially to other interested persons."⁶

II. MAINTENANCE OF THE LIST AND ACCESS TO INFORMATION

NERC is developing a BES process tool, targeted for implementation on July 1, 2013.⁷ The BES process tool will facilitate the management of common data collection and associated administrative requirements to support the implementation of the application of the BES definition, self-determinations, and Exception processes. The process tool provides a single, internet-accessible application for entities to submit both Exception requests and self-determined exclusions. The BES process tool will contain functionality to produce a list of facilities and

⁴ *Revision to Electric Reliability Organization Definition of Bulk Electric System*, 133 FERC ¶ 61,150 at P 117 (2011) ("Order No. 743"), *order on rehearing*, 134 FERC ¶ 61,210 (2011) ("Order No. 743-A").

⁵ *Revisions to Electric Reliability Organization Definition of Bulk Electric System and Rules of Procedure*, Notice of Proposed Rulemaking, 139 FERC ¶ 61,247 at P 123 (2012)(internal citation omitted)("BES NOPR").

⁶ Order No. 773 at P 310.

⁷ On May 23, 2013, NERC submitted a Motion for an Extension of Time of the effective date of the definition of BES from July 1, 2013 to July 1, 2014. As noted in the Motion, NERC is on schedule to implement the definition of BES as of July 1, 2013.

Elements for which: (1) Exception requests have been granted, and (2) self-determined exclusions have been submitted. NERC will provide periodic updates to the Commission regarding such facilities and Elements.

Further, Appendix 5C of the NERC Rules of Procedures provide the details of the information that will be made available respectively to Submitting entities, Owing entities and Scope of Responsibility users (any Planning Authority/Coordinator (“PA” or “PC”), Reliability Coordinator (“RC”), Transmission Operator (“TOP”), Transmission Planner (“TP”) or Balancing Authority (“BA”)) as a result of the various implementation aspects of the BES definition and Exceptions processes. NERC will publicly post reports on its website that will provide interested persons, including applicable state governmental authorities, information regarding submitted Exception requests that may be of interest to them.

III. CONCLUSION

NERC respectfully requests that the Commission accept this informational filing as compliant with Order No. 773.

Respectfully submitted,

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