

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

Modeling, Data and Analysis) Docket No. RM14-7-000
Reliability Standards)

**COMMENTS OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION
IN RESPONSE TO NOTICE OF PROPOSED RULEMAKING**

On June 19, 2014, the Federal Energy Regulatory Commission (“FERC” or the “Commission”) issued a Notice of Proposed Rulemaking (“NOPR”) proposing to approve Reliability Standard MOD-001-2 (Available Transmission System Capability) submitted by the North American Electric Reliability Corporation (“NERC”).¹ NERC supports the Commission’s proposal to approve the proposed Reliability Standard as filed. NERC agrees with the Commission that the Reliability Standard MOD-001-2 will enhance reliability by imposing mandatory requirements governing Available Transfer Capability (“ATC”) determinations and helping to ensure that entities determine ATC in a manner that supports the reliable operation of the Bulk-Power System.

Proposed Reliability Standard MOD-001-2 is designed to replace currently-effective Reliability Standards MOD-001-1a, MOD-004-1, MOD-008-1, MOD-028-2, MOD-029-1a and MOD-030-2 (the “Existing MOD A Standards”) to exclusively focus on the reliability aspects of ATC determinations. The proposed Reliability Standard does not retain those elements from the Existing MOD A Standards that are not necessary for reliability purposes. As discussed in NERC’s petition, because certain of those elements may be essential for market or commercial purposes, however, NERC has requested that the North American Energy Standards Board

¹ *Modeling, Data, and Analysis Reliability Standards*, 147 FERC ¶ 61,208 (2014).

(“NAESB”) consider, through its standards development process, which elements of the Existing MOD A Standards, if any, should be incorporated into NAESB’s business practice standards for the electric industry. This approach will help ensure that the appropriate organization administers standards addressing the aspects of ATC determinations relevant to the scope and purpose of its standards. NERC continues to coordinate with NAESB on these matters. NERC understands that NAESB has initiated its standards development process to address this matter.

The proposed Implementation Plan for proposed Reliability Standard MOD-001-2 is designed to accommodate the timeframe for NAESB’s consideration of whether to incorporate any of the elements from the Existing MOD A Standard into its business practice standards. Based on its coordination activities with NAESB, NERC understands that NAESB expects the 18-month implementation period to provide sufficient time to complete its development process. To the extent that there are delays to the NAESB standards development process, NERC remains committed to working with NAESB and Commission staff to address any timing issues.

NERC looks forward to the Commission’s final rule in this proceeding and respectfully requests that the Commission maintain its proposal to approve proposed Reliability Standard MOD-001-2 as filed.

Respectfully submitted,

/s/ Shamai Elstein
Shamai Elstein
Counsel
North American Electric Reliability Corporation
1325 G Street, N.W., Suite 600
Washington, D.C. 20005
(202) 400-3000
shamai.elstein@nerc.net

Counsel for the North American Electric Reliability Corporation

Date: August 25, 2014

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 25th day of August, 2014.

/s/ Shamai Elstein
Shamai Elstein
Counsel for the North American
Electric Reliability Corporation