

Consideration of Comments on First Ballot of Coordinate Interchange Standards

Summary Consideration:

The drafting team did not make any changes to the Coordinate Interchange standards as a result of the comments submitted with the first ballot of these standards.

Segment ID	UserName	1 st Vote	1 st Vote Affirm	1 st Vote Neg	1 st Vote Abst	Comments
1	Kenneth A. Goldsmith	0	1	0	0	We recommend a field trial of the Coordinate Interchange Standards (INT-005 thru 010-1) to verify the performance of norms before sanctions are applied.
<p>Response: The VP, Compliance and the Standards Authorization Committee reviewed the Coordinate Interchange standards and determined that a field test is not needed. These draft standards reflect the current practices of reliability reviews making a field test unnecessary. In addition, the drafting team’s implementation plan was posted for stakeholder comment, and most comments indicated that entities should be fully compliant when the standards are approved. The drafting team did modify its implementation plan to give entities time to register as the IA and this time could be used by entities to verify their own performance prior to the ‘effective date’.</p>						
1	Doug Hils	1	0	1	0	<ol style="list-style-type: none"> 1. INT-010-1 R2 “ Absent the Reliability Coordinator directly submitting modifications to Arranged Interchange for reliability-related reasons, the standard should be clear as to which BA (source, sink, intermediary) is required to submitted modifications to Arranged Interchange for reliability related reasons “ logically it should be the source or sink with required communications between both to ensure the change in a timely manner. 2. R3 “ We do not believe the Reliability Coordinator has the unilateral authority to direct a Balancing Authority to start a new Interchange schedule and submit an Arranged Interchange (to where?) as indicated in R3. INT-004-1 3. 3. Purpose. This standard should only apply to Dynamic Interchange Schedules rather than Dynamic Transfers. 4. M1 “ It is very possible that the projected interchange for the following hour may be exactly what was tagged even though the current hour might be off by the amount designated in R2.1 or R2.2. What if the PSE submits a tag with the same values based upon its best estimate of future hours?

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						<p>5. INT-005-1 Just as the sink BA currently provides the primary communication and approval distribution functions of the Interchange Authority through its Tag Authority service, a Regional difference should be noted to recognize that the MISO waiver for the Enhanced Scheduling Agent should apply to the Interchange Authority functions provided by MISO through its Tag Authority service.</p> <p>6. M1 “ how much information must be maintained to support the measurement and what information is acceptable?</p> <p>7. INT-008-1 Non-compliance could be at Level 4 upon loss of communications to other servers for the distribution of final status. The footnote stating that extenuating circumstances might allow the Compliance Monitor to waive the non-compliance puts a lot of subjectivity around that item as examples of what could be considered “extenuating circumstances” have not been provided. It is also unknown what information must be kept in order to prove that there were no occurrences where final status and information described in R1 were not provided.</p>
<p>Response:</p> <p>1. The drafting team felt that it should be left to the RC’s involved in a decision to modify an existing interchange since different circumstances may warrant different instructions on the part of the RC’s. Since RC’s can not directly submit Arranged Interchange in today’s tagging processes, the action to be taken was placed upon the BA’s at the direction of an RC.</p> <p>2. The drafting team believes that the RC has authority under IRO-005-1 R3 to evaluate Interchange for SOLs and IROLs and utilize “all resources” which may include a new Interchange to address potential or actual IROL violations. Additionally, under IRO-001-0, R3, the RC has the “clear decision making authority to act and to direct actions” to “preserve the integrity and reliability of the Bulk Electric System” and this would include directing new Interchange schedules to be made. Additionally, under IRO-001-0 R8 it is the requirement of BAs to comply with the RC’s directives (except if the directive would violate safety, equipment or regulatory/statutory requirements). It is these requirements that led the drafting team to provide the exemption in INT-010 R2 and R3.</p> <p>3. The commenter, strictly speaking, may be correct but the Purpose is descriptive text and does not impact the requirements or the compliance of any entity. If permitted to modify the text prior to rebalot without having to repost, the drafting team would have considered making the adjustment.</p> <p>4. Making changes to the contents of Version 0 R5 as modified to R2 in Version 1 of INT-004, along with the associated Measure, are outside</p>						

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						<p>the scope of the SAR the drafting team is working under. The accurate prediction of the content of a tag is not an interchange coordination issue - which is the scope of the drafting team's SAR. This is particularly true for a Dynamic Schedule which enters the Net Interchange of ACE from meter values and not the scheduled values which are being coordinated with the INT standards. The drafting team suggests the commenter consider submitting a SAR to correct any concerns with INT-004 R2 and its measures.</p> <p>5. Throughout the postings for comment no commenter indicated that any Regional Differences were required – including MISO - to reflect a Version 0 Regional Difference in INT-005-1. It is anticipated that the MISO would register as the IA to perform the INT-005-1 R1 requirement.</p> <p>6. The evidence required to support the measure may vary based on the process or system used by an IA and therefore was not explicitly defined. The wording of this measure is consistent with other non-INT standards. The intent is to allow as wide a variety of methods of demonstrating compliance (e.g., computer logs, voice recording, operator logs, etc.) as possible. This approach is the most cost-effective because it doesn't force all entities to adopt a single method – rather it allows entities to use existing processes as much as possible.</p> <p>7. The footnote was put in based upon comments from the industry related to situations such as system failures, communication failures, facility evacuation, etc. The drafting team would not be able to enumerate every such situation but felt it was important to reflect that such situations do exist and need to be considered as extenuating circumstances for non-compliance during compliance monitoring.</p>
1	Thomas Robert Hunt	1	0	1	0	<p>Exelon's vote is based on Standards (INT 001 & INT 002) included in this ballot that do not currently have compliance measures, we believe that the industry should not accept Standards with poorly written requirements, ambiguous or no compliance measures.</p>
						<p>Response: INT-001 and INT-002 are 'Version 0' standards and did not have measures or compliance elements when converted from Operating Policies to Version 0 Standards. INT-001 and INT-002 requirements were only modified as part of the implementation plan for INT-005 through INT-010 to make all the INT standards consistent among themselves and to remove duplication where introduced in INT-005 through INT-010.</p> <p>The Coordinate Interchange drafting team's scope does not include adding missing measures or compliance elements to Version 0 standards. Note that there is another drafting team (called, 'Provide Missing Measures and Compliance Elements in Existing Standards') that is working to add measures and compliance elements to INT-001 and INT-002.</p>
1	Gordon Pietsch	0	1	0	0	<p>GRE would recommend a field trial of the Coordinate Interchange standards (INT-005-010-1) to verify the performance norms before sanctions are applied.</p>
						<p>Response: The VP, Compliance and the Standards Authorization Committee reviewed the Coordinate Interchange standards and determined that a field test is not needed. These draft standards reflect the current practices of reliability reviews making a field test unnecessary. In addition, the drafting team's implementation plan was posted for stakeholder comment, and most comments indicated that entities should be fully compliant when the standards are approved. The drafting team did modify its implementation plan to give entities time to register as the IA and this time could be used by entities to verify their own performance prior to the 'effective date'.</p>

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1	Ajay Garg	1	0	1	0	<p>Hydro One Networks Inc. is submitting a Negative vote with comments on the adoption of the “Coordinate Interchange” Standards INT-001 through INT-010. Our comments and concerns are:</p> <ol style="list-style-type: none"> 1. According to the standard, the Transmission System Provider (TSP) is required to perform reliability assessments. In the Functional Model, these assessments are assigned to the Reliability Authority. The TSP is a merchant entity that approves or denies service requests. It does not have all the information needed to assess reliability e.g. prevailing system conditions to assess SOL violations when the arranged interchange is implemented, etc. 2. No certification is required for the TSP, while others who perform reliability assessments need to be certified (RA, RC, TOP). 3. The TSP performing reliability assessments may violate FERC 888, since these assessments require market sensitive data, while the TSP may at the same time be involved in wholesale merchant activities. 4. The ballot also includes changes to 4 of the Version 0 standards (INT-001 to INT-004). Amendments to the existing Version 0 Standards did not follow due process. These changes were not included in the initial SAR and were introduced at the last minute to reflect the latest draft without the necessary coordination and review by the industry.
<p>Response:</p> <p>1. None of the proposed INT standards include a requirement for the TSP to perform the wide-area ‘reliability assessment’ that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place <u>before</u> implementing the interchange. A wide-area reliability assessment would require consideration of <u>all</u> interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that</p>						

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<p>“prevailing transmission system limits will not be violated” does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the “prevailing” limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>2. There are many reliability-related tasks performed by entities that are not required to be certified. For example, the Generator Operator performs reliability tasks and is not required to be certified. The determination of the need for certification is outside the scope of the drafting team.</p> <p>3. Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. A TSP entity under the Functional Model Version 2 does <u>not</u> perform wholesale merchant activities. While an organization or company may perform both functions, FERC rules require a separation of the functions therefore no violations are anticipated as a result of complying with these INT standards. Version 2 of the Functional Model indicates that the TSP “administers the transmission tariff” and in doing so will “determine and post available transfer capability (ATC) values” as well as “coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers.” It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p> <p>4. The changes to INT-001 and INT-004 are needed to implement the proposed standards with as little confusion and duplication as practical. The proposed changes to INT-001 through INT-004 were not “introduced at the last minute.” The proposed changes to INT-001 through INT-004 were publicly posted during the second comment period and stakeholders did comment on these changes when they commented on the implementation plan. This is a process that has been followed for all the standards that were initiated prior to the development of Version 0 standards. Part of the implementation plan for each new standard is a recommendation for modification/retirement of existing standards necessitated by the approval of a new standard.</p>						
1	Michel Armstrong	1	0	1	0	The last draft of the standards has resulted in the Transmission Service Provider (TSP) being required to perform reliability assessments. We believe that the TSP would lack the wide area view which is necessary to properly perform the security analysis. The TSP will have limited information and capability to view prevailing system conditions and fully assess if system operating limits will or will not be violated when the arranged interchange is implemented. According to NERC functional model we believe that the TSP is a commercial entity that approves or denies service requests. There is no certification required for this function while others who are required to perform reliability assessments such as RA/RC, Transmission Operator (TOP) are required to be certified. We recognize the effort made by the drafting team in developing these standards and we appreciate the opportunity to comment.

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<p>Response:</p> <p>None of the proposed INT standards include a requirement for the TSP to perform the wide-area 'reliability assessment' that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that "prevailing transmission system limits will not be violated" does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the "prevailing" limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. Version 2 of the Functional Model indicates that the TSP "administers the transmission tariff" and in doing so will "determine and post available transfer capability (ATC) values" as well as "coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers." It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p> <p>There are many reliability-related tasks performed by entities that are not required to be certified. For example, the Generator Operator performs reliability tasks and is not required to be certified. The determination of the need for certification is outside the scope of the drafting team.</p>						
1	Roger C. Zaklukiewicz	1	0	1	0	INT-005 and 006 require Transmission Service Providers perform reliability assessments rather than the Reliability Coordinator. In New England some of the TSPs are market wholesale participants. Requiring such a market participant to perform reliability assessments constitutes a conflict of interest due to the need to share market sensitive data in order to perform such a reliability assessment. TSPs involved in wholesale merchant activities should not have access to market sensitive data.
<p>Response:</p> <p>None of the proposed INT standards include a requirement for the TSP to perform the wide-area 'reliability assessment' that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged</p>						

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<p>Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that “prevailing transmission system limits will not be violated” does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the “prevailing” limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. A TSP entity under the Functional Model Version 2 does <u>not</u> perform wholesale merchant activities. While an organization or company may perform both functions, FERC rules require a separation of the functions therefore no violations are anticipated as a result of complying with these INT standards. Version 2 of the Functional Model indicates that the TSP “administers the transmission tariff” and in doing so will “determine and post available transfer capability (ATC) values” as well as “coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers.” It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p> <p>In some regions of the country Transmission Owners have transferred responsibility and authority over the transmission system to other entities. Those other entities are the transmission service providers. For instance, ISO-NE is the transmission service provider for most of New England. ISO-NE is not a market participant. Other transmission service providers are under strict Standards of Conduct and OATT requirements such that the TSP functions are separate from their wholesale market functions and there is no conflict of interest.</p>						
1	David D Little	1	0	1	0	NSPI does not believe that the TSP is the appropriate entity to conduct a reliability review.
<p>Response:</p> <p>As a point of reference, the proposed INT-006 R1.2 includes the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most</p>						

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<p>stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that “prevailing transmission system limits will not be violated” does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the “prevailing” limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. Version 2 of the Functional Model indicates that the TSP “administers the transmission tariff” and in doing so will “determine and post available transfer capability (ATC) values” as well as “coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers.” It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p>						
1	Wayne Guttormson	0	1	0	0	SaskPower recommends a field trial of the Coordinate Interchange standards (INT-005-010-1) to verify the performance norms before sanctions are applied.
<p>Response: The VP, Compliance and the Standards Authorization Committee reviewed the Coordinate Interchange standards and determined that a field test is not needed. These draft standards reflect the current practices of reliability reviews making a field test unnecessary. In addition, the drafting team’s implementation plan was posted for stakeholder comment, and most comments indicated that entities should be fully compliant when the standards are approved. The drafting team did modify its implementation plan to give entities time to register as the IA and this time could be used by entities to verify their own performance prior to the ‘effective date’.</p>						
1	Paul Michael Davis	1	0	1	0	See Ron Donahey - Tampa Electric Company Comments.
<p>Response: Please see the response to Ron Donahey’s comments.</p>						

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1	Mitchell Needham	0	1	0	0	TVA notes that if the standard is accepted, there may be an associated negative impact due to the decrease in interregional transfer granularity, since internal bilateral schedules will not be required to be tagged.
<p>Response: The NERC Interchange Subcommittee and Operating Reliability Subcommittee suggested that tagging internal transactions is not necessary because the information is not used in the IDC. Based on their recommendations to the drafting team, the drafting team proposed removing these requirements. Their recommendation was based on their belief that the original intent in Policy appeared to be for communicating this data to the IDC but the current granularity to utilize this data does not exist in the IDC. The opinion of the subcommittees was that if a Reliability Coordinator felt that the Intra-BA schedule had a reliability impact beyond the BA's border (e.g., an IPP near the BA's boundary selling to the BA but causing significant loop flows), the RC could require the tagging of such schedules to take place. Since the INT standards are intended to facilitate the coordination of bilateral interchange between BA's, this requirement is not applicable to these standards and is not something that should be required <u>in general</u> within the INT standards – only when deemed significant by an RC's wide area perspective. If there is a specific need to collect information about such interchange via tagging to the IDC or some other mechanism, the RC's still have the authority under the RC standards (e.g. IRO-002-0 R2) to require the tagging just like they do for getting other data such as outages, load forecasts, etc. to perform their wide-area assessments.</p>						
2	Linda Campbell	1	0	1	0	<p>Many in our region have concern about the use of the IA. We understand that the drafting team approach would allow the existing BA method to be used, while allowing the IA concept to also be used. However, the new terminology seems to cause more confusion than clarity.</p> <p>In addition, I do not agree with the removal of R1.1 and R1.2 in INT-001-0. Our region continues to believe that more granularity is needed in the IDC, and these intra-BA transactions will be very important if the use of Pseudo BA's (from one single BA) is used to improve granularity with the existing IDC. Our region is currently considering this approach and R1.2 would be very important to the success in congestion management in some areas.</p>
<p>Response: As suggested, the intent of the drafting team was to move the industry forward incrementally so that the IA could be used without requiring major changes to today's practices. These draft standards reflect the current practices of reliability reviews. While the defined terms used in the proposed standards may be 'new', the new terms are used consistently in the new standards, and may help eliminate some confusion over the long term.</p> <p>The NERC Interchange Subcommittee and Operating Reliability Subcommittee suggested that tagging internal transactions is not necessary because the information is not used in the IDC. Based on their recommendations to the drafting team, the drafting team proposed removing these requirements. Their recommendation was based on their belief that the original intent in Policy appeared to be for communicating this data to the IDC but the current granularity to utilize this data doesn't exist in the IDC. The opinion of the subcommittees was that if a Reliability Coordinator felt that the Intra-BA schedule had a reliability impact beyond the BA's border (e.g., an IPP near the BA's boundary selling to the BA</p>						

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<p>but causing significant loop flows), the RC could require the tagging of such schedules to take place. Since the INT standards are intended to facilitate the coordination of bilateral interchange between BA's, this requirement is not applicable to these standards and is not something that should be required <u>in general</u> within the INT standards – only when deemed significant by an RC's wide area perspective. If there is a specific need to collect information about such interchange via tagging to the IDC or some other mechanism, the RC's still have the authority under the RC standards (e.g. IRO-002-0 R2) to require the tagging just like they do for getting other data such as outages, load forecasts, etc. to perform their wide-area assessments. The granularity of the IDC and the reliability need to tag <u>all</u> internal transactions were seen as separate issues by the drafting team and could be accommodated by requirements already existing in other standards.</p>						
2	Terry Bilke	0	1	0	0	<p>Even though we are voting yes, we have concerns with this standard. First, the standard references and holds accountable the Interchange Authority. To our knowledge, it has not been determined who or what this is. While there is mention in the reference document that this is initially assumed to be the sink BA, the reference document is not being balloted. The levels of compliance appear totally arbitrary and do not appear to bear a direct relationship to impact on reliability. There are entities that process tens of thousands of schedules a year. Missing a detail on 4 or being late with approval of 4 results in a level 4 non-compliance. Since penalties will likely escalate based on the size of the BA, there is a geometric escalation of penalty exposure with size for the same "violation".</p> <p>The standard should go through a field trial to determine realistic performance expectations prior to establishing associated penalties.</p>
<p>Response: The implementation plan for the Coordinate Interchange standards recognized that entities will need time to register to perform the IA function.</p> <p>In discussing levels of non-compliance, the drafting team considered various issues related to volume of schedules handled, the size of the interchange, etc. and requested input from the industry (during both postings) related to the levels of non-compliance. The drafting team settled on a "zero tolerance" for errors believing that zero errors should be the goal since even one failure has the potential for being a reliability concern. Most commenters agreed with the levels of non-compliance.</p> <p>The VP, Compliance and the Standards Authorization Committee reviewed the Coordinate Interchange standards and determined that a field test is not needed. These draft standards reflect the current practices of reliability reviews making a field test unnecessary. In addition, the drafting team's implementation plan was posted for stakeholder comment, and most comments indicated that entities should be fully compliant when the standards are approved. The drafting team did modify its implementation plan to give entities time to register as the IA and this time could be used by entities to verify their own performance prior to the 'effective date'.</p>						

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2	William J. Head	0	1	0	0	We would recommend a field trial of the Coordinate Interchange standards (INT-005-010-1) to verify the performance norms before sanctions are applied.
<p>Response: The VP, Compliance and the Standards Authorization Committee reviewed the Coordinate Interchange standards and determined that a field test is not needed. These draft standards reflect the current practices of reliability reviews making a field test unnecessary. In addition, the drafting team's implementation plan was posted for stakeholder comment, and most comments indicated that entities should be fully compliant when the standards are approved. The drafting team did modify its implementation plan to give entities time to register as the IA and this time could be used by entities to verify their own performance prior to the 'effective date'.</p>						
2						<p>ISO New England has remained actively involved in the NERC Standard development process and will take every opportunity to participate in this important effort. However, ISO New England cannot support adoption of the subject Standards due to the requirement that the Transmission Service Provider (TSP) perform reliability assessments.</p> <p>As stated in the most recent version of the NERC Functional Model, the Reliability Authority (RA), not the TSP, is to perform the reliability assessments. Within the New England area, the TSP is often a commercial entity that approves or denies service requests and receives arranged interchange information from the Interchange Authority (IA). They are required to ensure a valid transmission service reservation and that the service arrangements have adjacent Transmission Service Provider "connectivity." We believe that this Standard would result in FERC Order 889 violations arising from a TSP performing a reliability assessment, due to sharing of market sensitive data required to perform the reliability assessment while the TSP may be involved with wholesale merchant activities.</p>
<p>Response: None of the proposed INT standards include a requirement for the TSP to perform the wide-area 'reliability assessment' that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual</p>						

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<p>interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards.</p> <p>Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today.</p>						
2	Edward Schwerdt	1	0	1	0	The final draft of the standard added a requirement that the Transmission Service Provider (TSP) perform reliability assessments. In the Functional Model, it is the Reliability Authority (RC in the standards) that is charged with performing reliability assessments, in as much as the TSP may lack necessary "wide area view" to properly perform such analyses.
<p>Response:</p> <p>None of the proposed INT standards include a requirement for the TSP to perform the wide-area 'reliability assessment' that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that "prevailing transmission system limits will not be violated" does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the "prevailing" limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. Version 2 of the Functional Model indicates that the TSP "administers the transmission tariff" and in doing so will "determine and post available transfer capability (ATC) values" as well as "coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers." It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p>						

Consideration of Comments on First Ballot of Coordinate Interchange Standards

Segment ID	UserName	1 st Vote	1 st Vote Affirm	1 st Vote Neg	1 st Vote Abst	Comments
2	Don Tench	1	0	1	0	<p>While the IESO supports the standards in general we respectfully disagree with the Standards Drafting Team's proposal, to assign the Transmission Service Provider (TSP) the responsibility for performing the transmission system reliability assessment of Arranged Interchange. This assignment is inconsistent with the TSP responsibilities envisaged by the Functional Model:</p> <ol style="list-style-type: none"> 1. The currently approved Functional Model assigns the responsibility for performing transmission system reliability assessment of Arranged Interchange to the Reliability Authority (RA). While we recognize the RA role has yet to be incorporated in the standards, it is nevertheless inappropriate to assign such a role to the TSP, which is essentially a commercial entity. Its role is to offer transmission services and approves or denies such service requests. While we agree that the TSP receives Arranged Interchange information from the Interchange Authority (IA), it is strictly to ensure that the Arranged Interchange has a valid transmission service reservation and that the service arrangements have adjacent Transmission Service Provider connectivity. 2. While we do not rule out the fact that functional roll-up has resulted in organizations performing a combination of the responsibilities of the TSP, RA, Transmission Operator (TOP) as well as other reliability functions, leading to a perception the TSP performs reliability assessment today; we assess it is actually the TOP function of the roll-up organization that is performing this task. On the other hand, there might also be cases where a TSP is not associated with any entities that perform transmission assessment. In this latter case, the TSP will have limited information and capability to view prevailing system conditions and fully assess if system operating limits will or will not be violated when the Arranged Interchange is implemented. 3. There is currently no certification standard proposed for the TSP function, nor has its need been envisaged in the Functional Model. There is thus no assurance that a TSP not associated with an entity that performs transmission assessments will have sufficient system data collection facilities similar to those required for the reliability entities, such as Transmission Operator (TOP) and Reliability Coordinator (RC), to

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						<p>assess the reliability impacts of the Arranged Interchange even if it wanted to.</p> <p>Suggestions/Recommendations:</p> <p>The standards as written would give rise to the wrong impression that prior to approving an Arranged Interchange, wide-area reliability assessment will be performed by the TSP. We recommend that the standards be revised such that it would only require the TSP to validate transmission service reservations.</p> <p>If the responsibility for performing reliability assessment must be assigned to a functional entity, then we recommend this entity be the Transmission Operator (TOP). An agreement would need to be developed between the TSP and the TOP to ensure that this task is performed. This may require a revision to the draft certification Standard ORG-002-1.</p> <p>Conclusion</p> <p>Once again, we thank the standards drafting team for their efforts and commend the team for the many improvements this standard incorporates.</p> <p>The IESO appreciates the opportunity to table these comments and looks forward to participating further in the standards development process.</p>
<p>Response:</p> <p>1. None of the proposed INT standards include a requirement for the TSP to perform the wide-area 'reliability assessment' that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following: Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>2. The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes</p>						

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						<p>place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards.</p> <p>3. There are many reliability-related tasks performed by entities that are not required to be certified. For example, the Generator Operator performs reliability tasks and is not required to be certified.</p> <p>4. Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today.</p>
3	John Blazekovich	1	0	1	0	<p>Exelon's vote is based on Standards (INT 001 & INT 002) included in this ballot that do not currently have compliance measures, we believe that the industry should not accept Standards with poorly written requirements, ambiguous or no compliance measures.</p> <p>Response: INT-001 and INT-002 are 'Version 0' standards and did not have measures or compliance elements when converted from Operating Policies to Version 0 Standards. INT-001 and INT-002 <u>requirements</u> were only modified as part of the implementation plan for INT-005 through INT-010 to make all the INT standards consistent among them selves and to remove duplication where introduced in INT-005 through INT-010. The Coordinate Interchange drafting team's scope does not include adding missing measures or compliance elements to Version 0 standards. Note that there is another drafting team (called, 'Provide Missing Measures and Compliance Elements in Existing Standards') that is working to add measures and compliance elements to INT-001 and INT-002.</p>
3	Joseph Krupar	1	0	1	0	<p>Not sure the evolutionary approach to the implementation of the IA is needed. If the IA is just the BA receiving interchange then the IA is not needed at this time. The OCWG does not have the implementation of the IA in their plans. Also the NERC Organization Registration and Certification Manual does not mention the Interchange Authority.</p> <p>Response: Most commenters seemed to support the drafting team's approach to the implementation of the IA by indicating their support for the individual standards in the proposed set of standards. The drafting team does not have control over the work of the OCWG. The implementation plan for the Coordinate Interchange standards recognized that the standards could not be implemented until entities are registered to perform the IA function. The certification of a Functional Model entity also is not the responsibility of the drafting team. Both the SAR and the Board-approved Functional Model were given to the drafting team for use in developing these standards, and both these documents do contain the IA.</p>
3	Mike Penstone	1	0	1	0	<p>Hydro One Networks Inc. is submitting a Negative vote with comments on the adoption of the "Coordinate Interchange" Standards INT-001 through INT-010. Our comments and concerns are:</p> <p>1. According to the standard, the Transmission System Provider (TSP) is required to perform reliability assessments. In the Functional Model,</p>

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						<p>these assessments are assigned to the Reliability Authority. The TSP is a merchant entity that approves or denies service requests. It does not have all the information needed to assess reliability e.g. prevailing system conditions to assess SOL violations when the arranged interchange is implemented, etc.</p> <p>2. No certification is required for the TSP, while others who perform reliability assessments need to be certified (RA, RC, TOP).</p> <p>3. The TSP performing reliability assessments may violate FERC 888, since these assessments require market sensitive data, while the TSP may at the same time be involved in wholesale merchant activities.</p> <p>4. The ballot also includes changes to 4 of the Version 0 standards (INT-001 to INT-004). Amendments to the existing Version 0 Standards did not follow due process. These changes were not included in the initial SAR and were introduced at the last minute to reflect the latest draft without the necessary coordination and review by the industry.</p>
<p>Response:</p> <p>1. None of the proposed INT standards include a requirement for the TSP to perform the wide-area 'reliability assessment' that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that "prevailing transmission system limits will not be violated" does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the "prevailing" limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>2. There are many reliability-related tasks performed by entities that are not required to be certified. For example, the Generator Operator performs reliability tasks and is not required to be certified. The determination of the need for certification is outside the scope of the drafting team.</p>						

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<p>3. Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. A TSP entity under the Functional Model Version 2 does <u>not</u> perform wholesale merchant activities. While an organization or company may perform both functions, FERC rules require a separation of the functions therefore no violations are anticipated as a result of complying with these INT standards. Version 2 of the Functional Model indicates that the TSP “administers the transmission tariff” and in doing so will “determine and post available transfer capability (ATC) values” as well as “coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers.” It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p> <p>4. The changes to INT-001 and INT-004 are needed to implement the proposed standards with as little confusion and duplication as practical. The proposed changes to INT-001 through INT-004 were not “introduced at the last minute.” The proposed changes to INT-001 through INT-004 were publicly posted during the second comment period and stakeholders did comment on these changes when they commented on the implementation plan. This is a process that has been followed for all the standards that were initiated prior to the development of Version 0 standards. Part of the implementation plan for each new standard is a recommendation for modification/retirement of existing standards necessitated by the approval of a new standard.</p>						
3	Christopher Lawrence de Graffenried	1	0	1	0	<p>The Reliability Standards Working Group, CP9, under the Task Force on Coordination of Planning has reviewed and coordinated discussions on the subject standards was posted for pre-ballot review through February 15, 2006. The proposed “Coordinate Interchange” standards have been reviewed and discussed. CP9 recommends a vote to reject the standards as written.</p> <ol style="list-style-type: none"> 1. NPCC CP9 has noted that the last draft of the standards has resulted in the Transmission Service Provider (TSP) being required to perform reliability assessments. As stated in the most recent version of the NERC Functional Model, the Reliability Authority (RA), not the TSP is to perform the reliability assessments. NPCC believes that the TSP is a commercial entity that approves or denies service requests. It also receives arranged interchange information from the Interchange Authority (IA) and checks that the arranged interchange has a valid transmission service reservation and that the service arrangements have adjacent Transmission Service Provider “connectivity.” 2. There is no certification required to be a TSP while others who are required to perform reliability assessments such as the RA/RC TOP are required to be certified. 3. In addition, many feel there may be FERC 888 violations arising from

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						<p>a TSP performing a reliability assessment. This would be due to sharing with the TSP, market sensitive data required to perform the reliability assessment while the TSP may be involved with wholesale merchant activities. Also, there may be cases that the TSP will have limited information and capability to view prevailing system conditions and fully assess if system operating limits will or will not be violated when the arranged interchange is implemented. It was widely believed that the TSP would lack this “wide area view” which is necessary to properly perform the analysis.</p> <p>4. CP9 members also had an additional concern with the process by which the INT 005-1 through INT-010-1 Standards developed. This standard set resulted in changes to four of the Version 0 standards, INT-001-0 through INT-004-0. Some felt that these changes were made at the last minute to reflect the latest draft of the INT-005 through 010 Version 1 standards and believe that this is in violation of process. Standards that require changes should proceed through the entire SAR process even if as a result of a new standard, to ensure they have been fully coordinated and reviewed by the industry.</p>

Response:

1. None of the proposed INT standards include a requirement for the TSP to perform the wide-area ‘reliability assessment’ that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:

Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.

The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that “prevailing transmission system limits will not be violated” does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the “prevailing” limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.

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<p>2. There are many reliability-related tasks performed by entities that are not required to be certified. For example, the Generator Operator performs reliability tasks and is not required to be certified. The determination of the need for certification is outside the scope of the drafting team.</p> <p>3. Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. A TSP entity under the Functional Model Version 2 does <u>not</u> perform wholesale merchant activities. While an organization or company may perform both functions, FERC rules require a separation of the functions therefore no violations are anticipated as a result of complying with these INT standards. Version 2 of the Functional Model indicates that the TSP “administers the transmission tariff” and in doing so will “determine and post available transfer capability (ATC) values” as well as “coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers.” It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p> <p>4. The changes to INT-001 and INT-004 are needed to implement the proposed standards with as little confusion and duplication as practical. The proposed changes to INT-001 through INT-004 were not “introduced at the last minute.” The proposed changes to INT-001 through INT-004 were publicly posted during the second comment period and stakeholders did comment on these changes when they commented on the implementation plan. This is a process that has been followed for all the standards that were initiated prior to the development of Version 0 standards. Part of the implementation plan for each new standard is a recommendation for modification/retirement of existing standards necessitated by the approval of a new standard.</p>						
3	Michael Schiavone	1	0	1	0	<p>1. The last draft of the standards has resulted in the Transmission Service Provider (TSP) being required to perform reliability assessments. As stated in the most recent version of the NERC Functional Model, the Reliability Authority (RA), not the TSP is to perform the reliability assessments. The TSP is a commercial entity that approves or denies service requests. It also receives arranged interchange information from the Interchange Authority (IA) and checks that the arranged interchange has a valid transmission service reservation and that the service arrangements have adjacent Transmission Service Provider “connectivity.”</p> <p>2. There is no certification required to be a TSP while others who are required to perform reliability assessments such as the RA/RC TOP are required to be certified. In addition, there may be FERC 888 violations arising from a TSP performing a reliability assessment. This would be due to sharing with the TSP, market sensitive data required to perform the reliability assessment while the TSP may be</p>

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						involved with wholesale merchant activities. Also, there may be cases that the TSP will have limited information and capability to view prevailing system conditions and fully assess if system operating limits will or will not be violated when the arranged interchange is implemented. It was widely believed that the TSP would lack this "wide area view" which is necessary to properly perform the analysis.
<p>Response:</p> <p>1. None of the proposed INT standards include a requirement for the TSP to perform the wide-area 'reliability assessment' that is performed by the RA under the Functional Model. INT-006 R1.2 does include the following:</p> <p style="padding-left: 40px;">Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that "prevailing transmission system limits will not be violated" does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the "prevailing" limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>2. There are many reliability-related tasks performed by entities that are not required to be certified. For example, the Generator Operator performs reliability tasks and is not required to be certified. The determination of the need for certification is outside the scope of the drafting team.</p> <p>3. Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. A TSP entity under the Functional Model Version 2 does <u>not</u> perform wholesale merchant activities. While an organization or company may perform both functions, FERC rules require a separation of the functions therefore no violations are anticipated as a result of complying with these INT standards. Version 2 of the Functional Model indicates that the TSP "administers the transmission tariff" and in doing so will "determine and post available transfer capability (ATC) values" as well as "coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers." It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p>						

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3	John Leonard	1	0	1	0	Exelon's vote is based on Standards (INT 001 & INT 002) included in this ballot that do not currently have compliance measures, we believe that the industry should not accept Standards with unclear requirements and ambiguous or no compliance measures.
<p>Response: INT-001 and INT-002 are 'Version 0' standards and did not have measures or compliance elements when converted from Operating Policies to Version 0 Standards. INT-001 and INT-002 <u>requirements</u> were only modified as part of the implementation plan for INT-005 through INT-010 to make all the INT standards consistent among them selves and to remove duplication where introduced in INT-005 through INT-010. The Coordinate Interchange drafting team's scope does not include adding missing measures or compliance elements to Version 0 standards. Note that there is another drafting team (called, 'Provide Missing Measures and Compliance Elements in Existing Standards') that is working to add measures and compliance elements to INT-001 and INT-002.</p>						
3	Ronald Donahey	1	0	1	0	I disagree with the deletion of Requirement 1.1 and 1.2. in INT-001-0. The original intent appeared to be for feeding this type schedule to the IDC. The granularity still works if you create Pseudo BAs out of the single BA. We are talking about doing that in our region where we have some congestion issues that have been impacted by these type transactions. The standards attempt to transition from the (4) existing, version zero, Interchange standards (INT-001-0 to INT-004-0) and translates / converts / modify requirements to (9) new Interchange standards (INT-001-1 through INT-010-1).....completely deleting INT-002-0. In drafting the standards the Drafting team has tried to "take an evolutionary approach" to implementation of the "Interchange Authority (IA)" concept (as defined in the Functional Model version 2)....which provides for an IA with the allowance that an IA can be a BA entity that performs the IA tasks. In reviewing the standard it seems in our opinion that this has added more confusion than clarity to the "Interchange" standards. Apparently the drafting team approach was to draft the standards so that they are performance based and can be applied to an IA concept Interconnection like in the West and can still be applied to the BA focused interchange concept of the East. The differing terminology (new definitions) creates a more confusing
<p>Response: The NERC Interchange Subcommittee and Operating Reliability Subcommittee suggested that tagging internal transactions is not necessary because the information is not used in the IDC. Based on their recommendations to the drafting team, the drafting team proposed removing these requirements. Their recommendation was based on their belief that the original intent in Policy appeared to be for communicating this data to the IDC but the current granularity to utilize this data is not there in the IDC. The opinion of the subcommittees was that if a Reliability Coordinator felt that the Intra-BA schedule had a reliability impact beyond the BA's border (e.g. an IPP near the BA's boundary selling to the BA</p>						

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<p>but causing significant loop flows), the RC could require the tagging of such schedules to take place. Since the INT standards are intended to facilitate the coordination of bilateral interchange between BA's, this requirement is not applicable to these standards and is not something that should be required <u>in general</u> within the INT standards – only when deemed significant by an RC's wide area perspective. If there is a specific need to collect information about such interchange via tagging to the IDC or some other mechanism, the RC's still have the authority under the RC standards (e.g. IRO-002-0 R2) to require the tagging just like they do for getting other data such as outages, load forecasts, etc. in order to perform their wide-area assessment. The granularity of the IDC and the reliability need to tag <u>all</u> internal transactions were seen as separate issues by the drafting team and could be accommodated by requirements already existing in other standards.</p> <p>As suggested, the intent of the drafting team was to move the industry forward incrementally so that the IA could be used without requiring major changes to today's practices. These draft standards reflect the current practices of reliability reviews. While the defined terms used in the proposed standards may be 'new', the new terms are used consistently in the new standards, and may help eliminate some confusion over the long term.</p>						
3	James Keller	0	1	0	0	NERC should work to remove Regional differences and incorporate them into the standards.
<p>Response: None of the 'new' proposed Coordinate Interchange standards includes a regional difference. The drafting team worked to ensure that the new standards were written in a manner that did not require any regional differences. There are some regional differences in the Version 0 INT standards, but modifying these standards to remove these regional differences is outside the scope of the work assigned to the Coordinate Interchange drafting team.</p>						
3	Thomas Mielnik	1	0	1	0	I ask that a field trial be conducted of INT-005-010-1 to verify the performance norms before sanctions are applied.
<p>Response: The VP, Compliance and the Standards Authorization Committee reviewed the Coordinate Interchange standards and determined that a field test is not needed. These draft standards reflect the current practices of reliability reviews making a field test unnecessary. In addition, the drafting team's implementation plan was posted for stakeholder comment, and most comments indicated that entities should be fully compliant when the standards are approved. The drafting team did modify its implementation plan to give entities time to register as the IA and this time could be used by entities to verify their own performance prior to the 'effective date'.</p>						
4	Steven Wallace	1	0	1	0	The proposed revision to the standards adds confusion rather than clarity with new translations of existing standards and the elimination of one. The re-introduction of the IA is also troubling, given the pending IA organization certification standard in the queue. Where are the reliability benefits associated with the proposed revisions? Furthermore, the potential levels of non-compliance seem extreme for

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						what may be minor glitches in tag processing.
<p>Response: The intent of the drafting team was to move the industry forward incrementally so that the IA could be used without requiring major changes to today's practices. While the defined terms used in the proposed standards may be 'new', the new terms are used consistently in the new standards, and may help eliminate some confusion over the long term.</p> <p>Stakeholders indicated their support for the development of this set of standards and introduction of the IA early in this process, when the associated SAR was drafted and posted for comment.</p> <p>In response to the concerns of earlier posting comments about system and other problems that might interrupt entity's ability to process a schedule (e.g., tag), the drafting team had added a footnote to the standards to give the compliance monitor some latitude in exempting entities from compliance when there are extenuating circumstances such as equipment failures.</p>						
4	Anthony Jankowski	0	1	0	0	NERC should work to remove Regional differences and incorporate them into the standards
<p>Response: None of the 'new' proposed Coordinate Interchange standards includes a regional difference. The drafting team worked to ensure that the new standards were written in a manner that did not require any regional differences. There are some regional differences in the Version 0 INT standards, but modifying these standards to remove these regional differences is outside the scope of the work assigned to the Coordinate Interchange drafting team.</p>						
5	Dennis Florom	0	1	0	0	Recommend a field trial before implementation.
<p>Response: The VP, Compliance and the Standards Authorization Committee reviewed the Coordinate Interchange standards and determined that a field test is not needed. These draft standards reflect the current practices of reliability reviews making a field test unnecessary. In addition, the drafting team's implementation plan was posted for stakeholder comment, and most comments indicated that entities should be fully compliant when the standards are approved. The drafting team did modify its implementation plan to give entities time to register as the IA and this time could be used by entities to verify their own performance prior to the 'effective date'.</p>						
5	John Currier	1	0	1	0	These are the same comments submitted by Ron Donahey (TEC) I disagree with the deletion of Requirement 1.1 and 1.2. in INT-001-0. The original intent appeared to be for feeding this type schedule to the IDC. The granularity still works if you create Pseudo BAs out of the single BA. We are talking about doing that in our region where we have some congestion issues that have been impacted by these type transactions.

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						<p>The standards attempt to transition from the (4) existing, version zero, Interchange standards (INT-001-0 to INT-004-0) and translates / converts / modify requirements to (9) new Interchange standards (INT-001-1 through INT-010-1).....completely deleting INT-002-0.</p> <p>In drafting the standards the Drafting team has tried to "take an evolutionary approach" to implementation of the "Interchange Authority (IA)" concept (as defined in the Functional Model version 2)....which provides for an IA with the allowance that an IA can be a BA entity that performs the IA tasks. In reviewing the standard it seems in our opinion that this has added more confusion than clarity to the "Interchange" standards. Apparently the drafting team approach was to draft the standards so that they are performance based and can be applied to an IA concept Interconnection like in the West and can still be applied to the BA focused interchange concept of the East. The differing terminology (new definitions) creates a more confusing</p>

Response:

The NERC Interchange Subcommittee and Operating Reliability Subcommittee suggested that tagging internal transactions is not necessary because the information is not used in the IDC. Based on their recommendations to the drafting team, the drafting team proposed removing these requirements. Their recommendation was based on their belief that the original intent in Policy appeared to be for communicating this data to the IDC but the current granularity to utilize this data doesn't exist in the IDC. The opinion of the subcommittees was that if a Reliability Coordinator felt that the Intra-BA schedule had a reliability impact beyond the BA's border (e.g. an IPP near the BA's boundary selling to the BA but causing significant loop flows), the RC could require the tagging of such schedules to take place. Since the INT standards are intended to facilitate the coordination of bilateral interchange between BA's, this requirement is not applicable to these standards and is not something that should be required in general within the INT standards – only when deemed significant by an RC's wide area perspective. If there is a specific need to collect information about such interchange via tagging to the IDC or some other mechanism, the RC's still have the authority under the RC standards (e.g. IRO-002-0 R2) to require the tagging just like they do for getting other data such as outages, load forecasts, etc. in order to perform their wide-area assessment. The granularity of the IDC and the reliability need to tag all internal transactions were seen as separate issues by the drafting team and could be accommodated by requirements already existing in other standards.

As suggested, the intent of the drafting team was to move the industry forward incrementally so that the IA could be used without requiring major changes to today's practices. These draft standards reflect the current practices of reliability reviews. While the defined terms used in the proposed standards may be 'new', the new terms are used consistently in the new standards, and may help eliminate some confusion over the long term.

Consideration of Comments on First Ballot of Coordinate Interchange Standards

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5	Linda Horn	0	1	0	0	NERC should work to remove Regional differences and incorporate them into the standards.
<p>Response: None of the 'new' proposed Coordinate Interchange standards includes a regional difference. The drafting team worked to ensure that the new standards were written in a manner that did not require any regional differences. There are some regional differences in the Version 0 INT standards, but modifying these standards to remove these regional differences is outside the scope of the work assigned to the Coordinate Interchange drafting team.</p>						
6	Regina Carrado	1	0	1	0	Exelon's vote is based on Standards (INT 001 & INT 002) included in this ballot that do not currently have compliance measures, we believe that the industry should not accept Standards with poorly written requirements, ambiguous or no compliance measures.
<p>Response: INT-001 and INT-002 are 'Version 0' standards and did not have measures or compliance elements when converted from Operating Policies to Version 0 Standards. INT-001 and INT-002 <u>requirements</u> were only modified as part of the implementation plan for INT-005 through INT-010 to make all the INT standards consistent among them selves and remove duplication where introduced in INT-005 through INT-010. The Coordinate Interchange drafting team's scope does not include adding missing measures or compliance elements to Version 0 standards. Note that there is another drafting team (called, 'Provide Missing Measures and Compliance Elements in Existing Standards') that is working to add measures and compliance elements to INT-001 and INT-002.</p>						
6	James Hebson	0	1	0	0	PSEG concurs with the comments submitted by PJM.
<p>Response: PJM did not submit comments.</p>						
6	Walter L Yeager	0	0	1	0	<p>INT-010-1</p> <ol style="list-style-type: none"> 1. R2 – Absent the Reliability Coordinator directly submitting modifications to Arranged Interchange for reliability-related reasons, the standard should be clear as to which BA (source, sink, intermediary) is required to submitted modifications to Arranged Interchange for reliability related reasons – logically it should be the source or sink with required communications between both to ensure the change in a timely manner. 2. R3 – We do not believe the Reliability Coordinator has the unilateral

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						<p>authority to direct a Balancing Authority to start a new Interchange schedule and submit an Arranged Interchange (to where?) as indicated in R3.</p> <p>INT-004-1</p> <p>3. Purpose. This standard should only apply to Dynamic Interchange Schedules rather than Dynamic Transfers.</p> <p>4. M1 – It is very possible that the projected interchange for the following hour may be exactly what was tagged even though the current hour might be off by the amount designated in R2.1 or R2.2. What if the PSE submits a tag with the same values based upon its best estimate of future hours?</p> <p>INT-005-1</p> <p>5. Just as the sink BA currently provides the primary communication and approval distribution functions of the Interchange Authority through its Tag Authority service, a Regional difference should be noted to recognize that the MISO waiver for the Enhanced Scheduling Agent should apply to the Interchange Authority functions provided by MISO through its Tag Authority service.</p> <p>6. M1 – how much information must be maintained to support the measurement and what information is acceptable?</p> <p>7. INT-008-1 Non-compliance could be at Level 4 upon loss of communications to other servers for the distribution of final status. The footnote stating that extenuating circumstances might allow the Compliance Monitor to waive the non-compliance puts a lot of subjectivity around that item as examples of what could be considered “extenuating circumstances” have not been provided. It is also unknown what information must be kept in order to prove that there were no occurrences where final status and information described in R1 were not provided.</p>
<p>Response:</p> <p>1. The drafting team felt that it should be left to the RC’s involved in a decision to modify an existing interchange since different circumstances may warrant different instructions on the part of the RC’s. Since RC’s can not directly submit Arranged Interchange in today’s tagging processes, the action to be taken was placed upon the BA’s at the direction of an RC.</p>						

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<p>2. The drafting team believes that the RC has authority under IRO-005-1 R3 to evaluate Interchange for SOL and IROL and utilize “all resources” which may include a new Interchange to address potential or actual IROL violations. Additionally, under IRO-001-0, R3, the RC has the “clear decision making authority to act and to direct actions” to “preserve the integrity and reliability of the Bulk Electric System” and this would include directing new Interchange schedules to be made. Additionally, under IRO-001-0 R8 it is the requirement of BA’s to comply with the RC’s directives (except if the directive would violate safety, equipment or regulatory/statutory requirements). It is these requirements that led the drafting team to provide the exemption in INT-010 R2 and R3.</p> <p>3. The commenter, strictly speaking, may be correct but the Purpose is descriptive text and does not impact the requirements or the compliance of any entity. If permitted to modify the text prior to rebalot without having to repost, the drafting team will consider making the adjustment</p> <p>4. During earlier discussion among the drafting team it was decided the contents of Version 0 R5 as modified to R2 in Version 1 of INT-004 along with the Measurement were outside the scope of the SAR the drafting team was working under. The accurate prediction of the content of a tag is not an interchange coordination issue which was the scope of the drafting team’s SAR. This is particularly true for a Dynamic Schedule which enters the Net Interchange of ACE from meter values and not scheduled values which are being coordinated with the INT standards. The drafting team suggests the commenter consider issuing a SAR to correct any concerns with INT-004 R2 and its measurements.</p> <p>5. Throughout the postings for comment no commenter indicated that any Regional Differences were required – including MISO - to reflect a Version 0 Regional Difference in INT-005-1. It is anticipated that the MISO would register as the IA to perform the INT-005-1 R1 requirement.</p> <p>6. The evidence required to support the measurement may vary based on the process or system used by an IA and therefore was not explicitly defined. The wording of this measurement is consistent with other non-INT standards. Any amount of information (e.g., computer logs, voice recording, operator logs, etc.) reflecting compliance would be sufficient.</p> <p>7. The footnote was put in based upon comments from the industry related to situations such as system failures, communication failures, facility evacuation, etc. The drafting team would not be able to enumerate every such situation but felt it was important to reflect that such situations do exist and need to be considered as extenuating circumstances for non-compliance during compliance monitoring.</p>						
6	Jose Benjamin Quintas	1	0	1	0	I disagree with the deletion of Requirement 1.1 and 1.2. in INT-001-0. The original intent appeared to be to feed this type of schedule to the IDC. The granularity still works if you create Pseudo BAs out of the single BA. We are talking about doing that in our region where we have some congestion issues that have been impacted by this type of transaction. The standards attempt to transition from the (4) existing, version zero, Interchange standards (INT-001-0 to INT-004-0) and translates / converts / modify requirements to (9) new Interchange standards (INT-001-1 through INT-010-)completely deleting INT-002-0. In drafting the standards, the drafting team tried to "take an evolutionary approach" to

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						implementation of the "Interchange Authority (IA)" concept (as defined in the Functional Model version 2)....which provides for an IA with the allowance that an IA can be a BA entity that performs the IA tasks. In reviewing the standard, it seems in our opinion that this has added more confusion than clarity to the "Interchange" standards. Apparently, the drafting team's approach was to draft the standards so that they are performance based and can be applied to an IA-focused Interconnection concept like in the West and can still be applied to the BA-focused interchange concept of the East. The differing terminology (e.g., new definitions) creates more confusion.
<p>Response:</p> <p>The NERC Interchange Subcommittee and Operating Reliability Subcommittee suggested that tagging internal transactions is not necessary because the information is not used in the IDC. Based on their recommendations to the drafting team, the drafting team proposed removing these requirements. Their recommendation was based on their belief that the original intent in Policy appeared to be for communicating this data to the IDC but the current granularity to utilize this data doesn't exist in the IDC. The opinion of the subcommittees was that if a Reliability Coordinator felt that the Intra-BA schedule had a reliability impact beyond the BA's border (e.g. an IPP near the BA's boundary selling to the BA but causing significant loop flows), the RC could require the tagging of such schedules to take place. Since the INT standards are intended to facilitate the coordination of bilateral interchange between BA's, this requirement is not applicable to these standards and is not something that should be required <u>in general</u> within the INT standards – only when deemed significant by an RC's wide area perspective. If there is a specific need to collect information about such interchange via tagging to the IDC or some other mechanism, the RC's still have the authority under the RC standards (e.g. IRO-002-0 R2) to require the tagging just like they do for getting other data such as outages, load forecasts, etc. in order to perform their wide-area assessment. The granularity of the IDC and the reliability need to tag <u>all</u> internal transactions were seen as separate issues by the drafting team and could be accommodated by requirements already existing in other standards.</p> <p>As suggested, the intent of the drafting team was to move the industry forward incrementally so that the IA could be used without requiring major changes to today's practices. These draft standards reflect the current practices of reliability reviews. While the defined terms used in the proposed standards may be 'new', the new terms are used consistently in the new standards, and may help eliminate some confusion over the long term.</p>						
9	Diane Jean Barney	1	0	1	0	The responsibility for ensuring the Arranged Interchange is within system limits should be with a reliability function, not a merchant function. This distinction is particularly important where markets exist.
<p>Response:</p> <p>INT-006 R1.2 does include the following:</p> <p>Each involved Transmission Service Provider shall confirm that the transmission service arrangements associated with the Arranged Interchange have adjacent Transmission Service Provider connectivity, are valid and prevailing transmission system limits will not be</p>						

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						<p>violated.</p> <p>The drafting team did ask stakeholders for feedback on whether the TSP was the correct functional entity for this requirement, and most stakeholders agreed that the TSP performs this task today. The assessment conducted by the TSP in INT-006 is time-dependent and takes place before implementing the interchange. A wide-area reliability assessment would require consideration of all interchange, not individual interchanges. This standard does not address the wide area assessment conducted by the RA (or RC); wide-area real-time assessments are addressed in other standards. The goal of the drafting team was to reflect what is taking place today while permitting new processes to evolve within the parameters set by the INT standards. Today the RA (or RC) does not approve individual interchange schedule requests. The use of the TSP activity in INT-006 R1.2 noted above replaces its activity already in place in INT-002 R2. The activity associated with confirming that “prevailing transmission system limits will not be violated” does not mean that the TSP sets the limits through some reliability assessment it performs – rather the standard requires the TSP to use the “prevailing” limits provided by a TOP and/or RC/RA to ensure the transmission service provided by the TSP does not violate the limits provided by the TOP and/or RC/RA.</p> <p>Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today. A TSP entity under the Functional Model Version 2 does <u>not</u> perform wholesale merchant activities. While an organization or company may perform both functions, FERC rules require a separation of the functions therefore no violations are anticipated as a result of complying with these INT standards. Version 2 of the Functional Model indicates that the TSP “administers the transmission tariff” and in doing so will “determine and post available transfer capability (ATC) values” as well as “coordinates ATC with Reliability Authority (who may adjust operating reliability limits) and other Transmission Service Providers.” It is this setting and coordination of ATC values whereby the TSP will ensure prevailing transmission limits are not violated.</p> <p>Most stakeholders who responded to the second posting of the proposed Coordinate Interchange standards indicated that the TSP performs these assessments today.</p>