



NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

Interchange Standard and Business Practices Meeting

Thursday, June 3, 2004 — 8 a.m.–5 p.m.

Friday, June 4, 2004 — 8 a.m.–noon

Omni Majestic Hotel
1019 Pine Street
St. Louis, Missouri
Phone: 314-436-2355

Agenda

1. **Administrative** **10 minutes**
 - a. Welcome and Introductions – Chairman
 - b. NERC and NAESB Antitrust Guidelines – Chairman **[Attachment 1]**
 - c. Arrangements – Secretary
 - d. Approve Agenda – Chairman

2. **Purpose of Meeting – Doug Hills** **10 minutes**
 - a. Coordination of reliability standards and business standards

3. **Overview of NERC Certification Standards – Al Boesch** **10 minutes**
 - a. Standard 1400 – Certification of the Balancing Authority Function
 - b. Standard 1500 – Certification of the Interchange Authority Function
 - c. Standard 1600 – Certification of the Reliability Authority Function
 - d. Standard 1700 – Certification of the Transmission Operator Function
[\[https://www.nerc.net/standards/ReliabilityStandards.aspx?tabindex=2&tabid=14\]](https://www.nerc.net/standards/ReliabilityStandards.aspx?tabindex=2&tabid=14)
 - e. Registration of Functions

4. **Coordinate Interchange Version 1 – Mike Oatts** **1 hour**
 - a. Update from June 2, 2004 CI Standard Drafting Team meeting
 - b. Moving forward with the Coordinate Interchange Standard, Version 1 **[Attachment 2]**
 - i) Drafting and implementing Version 1
 - (1) Timeline for developing Version 1

5. **Interchange Authority Task Force – John Simonelli** **20 minutes**
 - a. Update on Interchange Authority Function Task Force – John Simonelli
 - b. Actions from the Version 0 Drafting Team’s May 20–21, 2004 meeting – Roman Carter **[Attachment 3]**

Interchange Standard and Business Practice Meeting Agenda
June 3–4, 2004

- 6. Version 0 Business Practices – Roman Carter** **20 minutes**
 - a. Status of NAESB business practices for Version 0 **[Attachment 4]**

- 7. Version 0 Standard Documents – Al Boesch** **Remainder of meeting**
 - a. Version 0 Standards Working Template **[Attachment 5]**
 - b. Review and draft standards for Version 0 documents **[Attachments 6 and 7]**

- 8. Next Steps – Doug Hils**



Attachment 1

NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

NERC ANTITRUST COMPLIANCE GUIDELINES

I. GENERAL

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or which might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. PROHIBITED ACTIVITIES

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.

Approved by NERC Board of Trustees
June 14, 2002

III. ACTIVITIES THAT ARE PERMITTED

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation and Bylaws are followed in conducting NERC business. Other NERC procedures that may be applicable to a particular NERC activity include the following:

- Organization Standards Process Manual
- Transitional Process for Revising Existing NERC Operating Policies and Planning Standards
- Organization and Procedures Manual for the NERC Standing Committees
- System Operator Certification Program

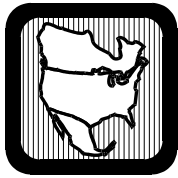
In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.
- Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.



Attachment 2

NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

May 19, 2004

TO: VERSION 0 STANDARD DRAFTING TEAM

Coordinate Interchange Standard Version 0 from NERC Policy 3

The NERC Interchange Subcommittee, NERC Coordinate Interchange Standard Drafting Team and NAESB Coordinate Interchange Business Practices Task Force members have combined efforts to transition NERC Policy 3, "Interchange," to the draft NERC Coordinate Interchange Standard Version 0 and draft NAESB Coordinate Interchange Business Practice Version 0.

Certain assumptions have to be made to transition the current NERC Policy 3 to the Functional Model as certain systems and functional dependencies that exist today will not change when Version 0 is implemented. Some of those assumptions follow:

- 1) Interchange that is required to be E-Tagged under Policy 3 will be required to be E-Tagged under Version 0.
- 2) The Sink Balancing Authority will be required to have an E-Tag Authority Service that conforms to the current E-Tag Specification.
- 3) The NERC Interchange Subcommittee assumes that the NERC IDC will be the basis for Transmission Loading Relief procedures and will be included in Policy 9, Version 0.
- 4) All approved interchange E-Tags in the Eastern Interconnection will be forwarded to the NERC IDC.
- 5) The NERC Registry will be updated to accommodate the Functional Model as defined in Version 0 standards.
- 6) The NERC Registry will not allow registration for the Interchange Authority, as Interchange Authority responsibilities will be distributed in Version 0. The coordination of scheduled interchange along the scheduling path will be required in Version 0 and continue to be performed by the Balancing Authorities on the path.
- 7) The NERC waivers applicable to Policy 3 will be supported in Version 0.
- 8) Existing timing requirements for E-Tagging should be accommodated.

I have attached files that are drafts to address Version 0 of the NERC Coordinate Interchange Standard and the NAESB Coordinate Interchange Business Practice. Final documents will be provided to the Version 0 Standard Drafting Team after the Interchange Standard and Business Practice groups meet on June 3-4, 2004.

Sincerely,

Doug Hils
Chairman - Interchange Subcommittee

Attachments

Coordinate Interchange Standard Version 0 Flow Diagram, Draft 2

Open Issues in drafting Version 0 of the Coordinate Interchange Standard

Coordinate Interchange Standard Version 0 (Policy 3 – Interchange, Version 5.2)

NAESB Coordinate Interchange Business Practice, Version 0, Draft 2

Attachment 3

Background

Version 0 Drafting Team, May 20-21 excerpts from meeting minutes

Operating Policy 3 Conversion

Roman Carter presented ideas for the translation of Operating Policy 3 that are being considered by the Interchange Subcommittee and the Coordinate Interchange Drafting Teams of NERC and NAESB. The translation of Policy 3 presents conflicting objectives of adopting the functional model and not changing the reliability requirements from those in effect today. To adopt the functional model scheduling approach would require implementation of an Interchange Authority (IA) function that does not exist in practice today and would require changes to procedures, tools and training.

The drafting team agreed that Operating Policy 3 should be translated to Version 0 by retaining the existing method of interchange scheduling (control area to control area). The translation would change Control Area to Balancing Authority and adopt other changes to be as consistent as practical with the functional model, but without adopting the IA scheduling model. The proposed approach for translating Operating Policy 3 into Version 0 standards is described in **Exhibit A [Attachment 2 in this agenda]**. The Interchange Subcommittee and Coordinate Interchange Drafting Teams were encouraged to continue developing Version 1 standards that would implement the IA model and replace the applicable Version 0 standards.

Converting Operating Policies to Version 0 Standards

The drafting team is expecting inputs from the Operating Committee subcommittees regarding the translation of Operating Policies 1-9. Additionally, NAESB and the Market Committee are preparing recommendations on what parts of the operating policies should be business practice standards. The group completed its own review of the operating policies and associated appendices and made the following recommendations:

- Operating Policy 3 should proceed along the lines presented by the IS and interchange drafting teams. Portions of Operating Policy 3 would be allocated to NAESB as business practice standards.
- Proceed with all other policies and appendices under the assumption that they will be incorporated into Version 0 reliability standards. With the limited information available at this meeting, the group could not identify any operating policy requirements or appendices that should obviously become business practice standards (except as previously noted in Operating Policy 3).

NAESB Update on Version 0

WEQ ADOPTION OF VERSION 0 STANDARDS AND COORDINATION WITH NERC

Michael Desselle, director of public policy for AEP, and NAESB Chairman, reported that NERC is seeking to have their Version 0 reliability standards completed by Feb. 2005, and that NAESB is on a similar track to complete its complementary Version 0 business practice standards. NAESB's goal is to have recommended standards before the Executive Committee at their Nov. 30 meeting. The Business Practices Subcommittee (BPS) met on May 13 and prepared a draft request that mirrors the NERC request. As NERC meets to address version 0 reliability standards, BPS will hold a follow up meeting shortly thereafter. Both NERC and NAESB will submit their respective requests for standards to the Joint Interface Committee (JIC), which will schedule a conference call in late June followed by a face to face meeting in Salt Lake City, Utah on July 12 in conjunction with the NARUC Summer Meeting.

Attachment 4

NAESB Coordinate Interchange Business Practice Standard, Version 0

Background:

In light of the August 2003 Blackout, NERC is transitioning the existing Board-approved operating policies and planning standards, and the 38 compliance templates approved by NERC Board on April 2, 2004 into an initial baseline Version 0 set of reliability Standards as recommended by the U.S.-Canada Power System Outage Task Force.

Current efforts are already under way by the NERC Coordinate Interchange Standard (Version 1) Drafting Team to address the reliability issues associated with bilateral Interchange Transactions. The Version 1 Standard is being developed using the Functional Model as a basis for defining the “Functions” necessary for Bulk Electric System reliability rather than the existing NERC Operating Policies for “Control Areas”.

NERC’s Version 0 Standard’s Drafting Team will be responsible for a Version 0 Standard that will address Policy 3 reliability issues prior to the above-mentioned Version 1 Standard being enforced. The Version 0 Standard will also utilize the Functional Model language but will not incorporate the new Interchange Authority Entity. Instead, it refers to the Tagging Authority (or appropriate entity) for Entities performing functions which the IA would perform under Version 1.

Introduction:

The NAESB Business Practices Subcommittee (BPS) is in the development stages of producing its complementary Version 0 Standards which will encompass the business practices currently contained within the NERC Operating Policies.

The NAESB Coordinate Interchange Standard Version 0 presented here identifies market-supported processes necessary to facilitate bilateral Interchange Transactions prior to the implementation of the EC-approved NAESB CIBP Standard (Version 1) currently out for general membership ratification. It specifies the arrangements that need to be made and the data that needs to be communicated to the Tag Authority and to all involved parties of the Interchange Transaction Tag in order for Interchange transactions to take place between Balancing Authorities (BA).

This Standard only covers the business arrangements, data, and timing requirements necessary to submit the Transaction Tag to the Tag Authority. It recognizes that FERC-approved tariffs may supersede some provisions in this Standard.

The Standard applies Functional Model definitions to provide consistency with NERC’s reliability Standards. However, like the NERC Version 0 Standards, this Standard will not incorporate the Interchange Authority entity.

Terms used in this Standard which are defined by the Functional Model are not defined herein.

Definitions

RFI Standard 1.0 For the purposes of this Standard, the following definitions shall be applied:

RFI Standard 1.1 Approval Entities – Those entities responsible for providing active approvals during the Market and/or Reliability Periods.

RFI Standard 1.2 Interchange Block Accounting – Energy accounting that assumes a beginning and ending ramp time of zero minutes. For accounting purposes, this moves the energy associated with the starting and ending ramps into the adjacent starting and ending clock time of the Interchange.

RFI Standard 1.3 Market Period – The period of time when a Requesting PSE is making purchase, sale, and Transmission service arrangements needed to support a Transaction Tag, including the period in which market approvals are obtained.

RFI Standard 1.4 Reliability Period – The segment of time from when the Tag Authority has received the “Implemented” Tag from the requesting PSE, or its designee, to physical implementation (beginning of ramp time).

RFI Standard 1.5 Requesting PSE – The PSE submitting the Interchange Transaction Tag. Under current policy this entity would be called the “Tag Author”.

RFI Standard 1.6 Sink BA – The Balancing Authority responsible for monitoring and/or controlling the load identified as the sink of a bilateral Interchange.

RFI Standard 1.7 Source BA – The Balancing Authority responsible for monitoring and/or controlling the generation identified as the source of a bilateral Interchange.

Business Practices

RFI Standard 2.0 All requests to implement bilateral Interchange Transactions shall be accomplished by the submission of a completed Interchange Transaction Tag to the Tag Authority.

RFI Standard 2.1 A completed Tag shall contain, at a minimum, the NERC required information specified in the most current version of the **NERC Appendix 3A4** .

RFI Standard 2.2 It shall be the responsibility of the load serving Purchasing-Selling-Entity (PSE), or their designee, to ensure the completed Tag has been submitted to Tag Authority.

RFI Standard 3.0 All energy purchase, energy sale, and Transmission service arrangements necessary to create the Tag and implement the bilateral Interchange Transaction shall be performed prior to the Tag being submitted to the Tag Authority.

RFI Standard 4.0 The Requesting PSE shall verify all necessary business and transmission arrangements prior to the Transaction Tag being submitting to the Tag Authority. At its discretion, the Requesting PSE may defer this responsibility to the Market Operator Function.

RFI Standard 5.0 The completed Tag shall be submitted to the Tag Authority in accordance with the timing requirements of the most current version of the NERC Appendix 3A1 Submission and Response Timetables.

RFI Standard 6.0 The completed Tag shall be forwarded by the Tag Authority to the appropriate Approval Entity for a Market Period assessment.

RFI Standard 7.0 The results of the Market Period assessment (approval or denial) by the Approval Entities shall be promptly communicated back to the Tag Authority. The Tag Authority shall notify the Requesting PSE and to all other involved parties the results of the assessment.

RFI Standard 7.1 All denials of a Transaction Tag by any reliability Approval Entity shall be accompanied by the reason for such denial.

RFI Standard 8.0 Any changes to the status of the Tag during the BA, RA, TSP's assessment time shall be communicated by the requesting PSE to the Tag Authority.

RFI Standard 9.0 Until such time as NERC and/or NAESB establish replacement protocols, the preferred method of submitting the Tag to the Tag Authority shall be electronic and in accordance with the most current version of the NERC E-Tag Specifications.

RFI Standard 9.1 A backup or redundant electronic system shall be available for immediate use should the primary electronic means become disabled.

RFI Standard 9.2 Submitting a Tag to the Tag Authority via facsimile is acceptable only as a last resort when the electronic means and its required backup or redundant system are not available.

RFI Standard 10.0 Interchange Transaction Corrections to the Tag for non-reliability related data shall be allowed prior to the Tag's approval/denial by reliability Approval Entities.

RFI Standard 10.1 Timing for corrections shall be in accordance with the **NERC Appendix 3A1 Submission and Response Timetable**.

RFI Standard 11.0 Interchange Transaction Modifications made to the "Implemented" Transaction Tag by the Requesting PSE, or their designee, must be submitted to the Tag Authority within the time requirements of **NERC Appendix 3A1 Tag Submission and Response Timetable**.

RFI Standard 11.1 If the Modification is denied by any Approval Entity, the original request remains valid for the original Tag duration period.

RFI Standard 12.0 All parties involved in the bilateral Interchange Transaction shall have, or arrange to have, personnel and facilities on site and immediately available 24 x 7 for notification of changes to the Request for Interchange.

RFI Standard 12.1 The personnel shall be available from the beginning of the Market Period until the Transaction has been completed.

RFI Standard 13.0 Unless provided for under a FERC approved market mechanism, energy accounting for all Transaction Tags shall be accomplished via Interchange Block Accounting.

RFI Standard 14.0 Settlement of losses shall be either handled as financial or as payment in-kind.

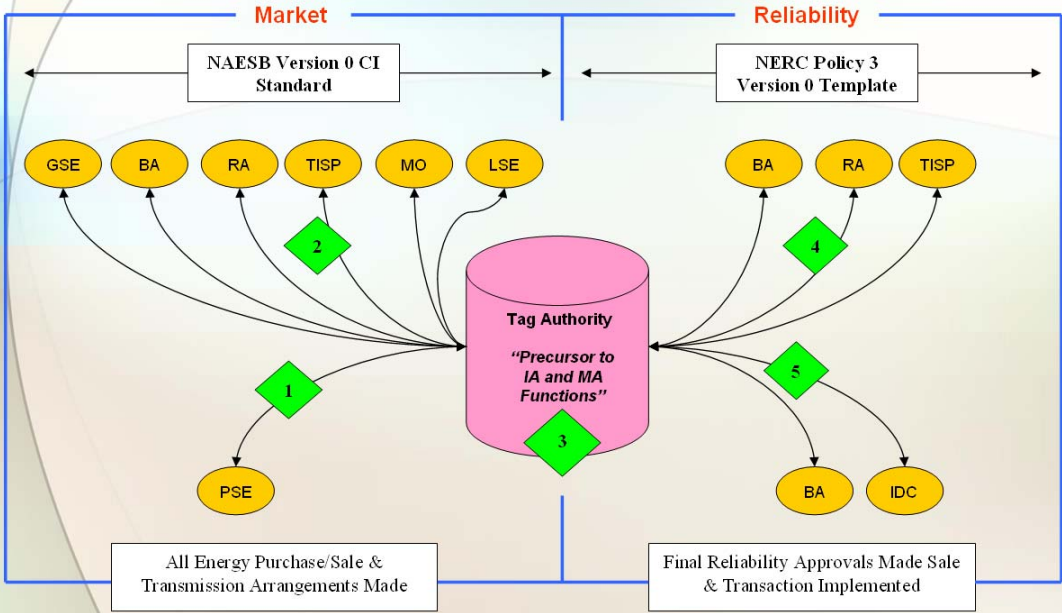
RFI Standard 14.1 For losses handled as payment in-kind, the Requesting PSE, or its designee, shall communicate to the Tag Authority, via a Transaction Tag (either the original or separate Tag), the MW losses and the entity the losses are with for each TSP/BA along the Interchange path.

RFI Standard 15.0 Default ramp rates for the North American Interconnection shall be as follows:

RFI Standard 15.1 Default ramp rate for the Eastern Interconnection shall be 10 minutes equally across the start and end times of the Tag unless otherwise agreed to by all parties involved in the Tag .

RFI Standard 15.2 Default ramp rate for the Western Interconnection shall be 20 minutes equally across the start and end times of the Tag unless otherwise agreed to by all parties involved in the Tag.

Coordinate Interchange Standard Version 0 Flow Diagram



Coordinate Interchange Standard Version 0 Flow Diagram

1. All energy purchase/sale & transmission service arrangements are requested prior to the Tag being submitted to the Tag Authority (*NAESB Version 0 RFI Standard 2.0, 3.0 & 4.0, 5.0*).
2. All energy purchase/sale & transmission service market arrangements are forwarded by the Tag Authority to the appropriate Entity for approval (*NAESB Version 0 RFI Standard, 6.0*).
3. Upon approval by all appropriate Entities in the Market Period, the Tag Authority is now ready to submit the "approved balanced tag" for implementation (*NAESB Version 0 RFI Standard 7.0; NERC Policy 3 Version 0 Template*).
4. The Tag Authority will forward the approved Tag to the appropriate Reliability Entities to checkout the "approved balanced tag" (*NERC Policy 3 Version 0 Template*).
5. After Checkout, Tag Authority sends the "confirmed balanced tag" to the BA and IDC for implementation (*NERC Policy 3 Version 0 Template*).

Version 0 Standards – Development and Tracking Template

Draft Version 0 Standard		Source ID	Source Information
ID Number			
Title			
Purpose			
Effective Date			
Applicability			
Requirements			
Measures			
Regional Differences			
Compliance Monitoring Process			

Policy 3 – Interchange

Version 5.2

[See also, “Interchange Reference Document”]

Policy Subsections

- A. Interchange Transaction Implementation**
 - B. Interchange Schedule Implementation**
 - C. Interchange Schedule Standards**
 - D. Interchange Transaction Modifications**
-

Introduction

This Policy addresses the following issues:

- Responsibilities of all PURCHASING-SELLING ENTITIES involved in INTERCHANGE TRANSACTIONS.¹
- Information requirements for INTERCHANGE TRANSACTIONS.
- Requirements of CONTROL AREAS to assess and confirm INTERCHANGE TRANSACTIONS.
- Accountability of CONTROL AREAS for implementing all INTERCHANGE SCHEDULES in a manner that ensures the reliability of the INTERCONNECTIONS.
- Standards for INTERCHANGE SCHEDULES between CONTROL AREAS.
- Requirements for INTERCHANGE TRANSACTION Cancellation, Termination, and Curtailment.

Key

Yellow reliability related

Blue Market related

¹ This Policy deals predominately with INTERCHANGE TRANSACTIONS, that is, those that cross one or more CONTROL AREA boundaries. The more general term “TRANSACTION” includes INTERCHANGE TRANSACTIONS and TRANSACTIONS that are entirely within a CONTROL AREA. At this time, the only reference to the general term “TRANSACTION” is the tagging requirement in Requirement 3.A.2.1.

A. Interchange Transaction Implementation

[Policy 2A, “Transmission—Transmission Operations”]

[Appendix 3A1, “Tag Submission and Response Timetables”]

[Appendix 3A2, “Tagging Across Interconnection Boundaries”]

[“E-Tag Spec”]

[“Transaction Tagging Process within ERCOT Reference Document”]

Introduction

This section specifies the PURCHASING-SELLING ENTITY’S requirements for tagging all INTERCHANGE TRANSACTIONS, the CONTROL AREAS’ and TRANSMISSION PROVIDERS’ obligations for accepting the tags, and CONTROL AREAS’ obligations for implementing the INTERCHANGE TRANSACTIONS. The tag data is integral for providing the CONTROL AREAS, RELIABILITY COORDINATORS, and other operating entities the information they need to assess, confirm, approve or deny, implement, and curtail INTERCHANGE TRANSACTIONS as necessary to accommodate the marketplace and ensure the operational security of the INTERCONNECTION.

Requirements

- 1. INTERCHANGE TRANSACTION arrangements.** The PURCHASING-SELLING ENTITY shall arrange for all Transmission Services, tagging, and contact personnel for each INTERCHANGE TRANSACTION to which it is a party.

NAESB 3.0 AND 12.0

- 1.1. Transmission services.** The PURCHASING-SELLING ENTITY shall arrange the Transmission Services necessary for the receipt, transfer, and delivery of the TRANSACTION.

Incorporated into the review by the transmission provider prior to approving tag. Requirement A.3

- 1.2. Tagging.** The PURCHASING-SELLING ENTITY serving the load shall be responsible for providing the INTERCHANGE TRANSACTION tag. (Note: 1. Any PSE may provide the tag; however, the load-serving PSE is responsible for ensuring that a single tag is provided. 2. If a PSE is not involved in the TRANSACTION, such as delivery from a jointly owned generator, then the SINK CONTROL AREA is responsible for providing the tag. PSEs must provide tags for all INTERCHANGE TRANSACTIONS in accordance with Requirement 2.)

Incorporated into Requirement A.1

- 1.3. Contact personnel.** Each PURCHASING-SELLING ENTITY with title to an INTERCHANGE TRANSACTION must have, or arrange to have, personnel directly and immediately available for notification of INTERCHANGE TRANSACTION changes. These personnel shall be available from the time that title to the INTERCHANGE TRANSACTION is acquired until the INTERCHANGE TRANSACTION has been completed.

NAESB 12.0, 12.1

A. Interchange Transaction Implementation

1.4. E-Tag monitoring. CONTROL AREAS, TRANSMISSION PROVIDERS, and PURCHASING-SELLING ENTITIES who are responsible for a tagged TRANSACTION shall have facilities to receive unsolicited notification from the Tag Authority of changes in the status of a tag with which the user is a participant.

NAESB 12.0

2. INTERCHANGE TRANSACTION tagging. Each INTERCHANGE TRANSACTION shall be tagged before implementation as required by each INTERCONNECTION as specified in the “E-Tag Spec” or “Transaction Tagging Process within ERCOT Reference Document.” In addition to providing necessary operating information, the INTERCHANGE TRANSACTION tag is the official request from the PURCHASING-SELLING ENTITY to the CONTROL AREAS to implement the INTERCHANGE TRANSACTION. The information that must be provided on the tag is listed in **Appendix 3A4.**

Incorporated into Requirement A.1

2.1. Application to TRANSACTIONS. All INTERCHANGE TRANSACTIONS and certain INTERCHANGE SCHEDULES shall be tagged. In addition, intra-CONTROL AREA transfers using Point-to-Point Transmission Service² shall be tagged. This includes:

- INTERCHANGE TRANSACTIONS (those that are between CONTROL AREAS).
- TRANSACTIONS that are entirely within a CONTROL AREA.
- DYNAMIC INTERCHANGE SCHEDULES (tagged at the expected average MW profile for each hour). (Note: a change in the hourly energy profile of 25% or more requires a revised tag.)
- INTERCHANGE TRANSACTIONS for bilateral INADVERTENT INTERCHANGE payback (tagged by the SINK CONTROL AREA).
- INTERCHANGE TRANSACTIONS established to replace unexpected generation loss, such as through prearranged reserve sharing agreements or other arrangements, are exempt from tagging for 60 minutes from the time at which the INTERCHANGE TRANSACTION begins (tagged by the SINK CONTROL AREA). [See also, Policy 1E2 and 2.1, “Disturbance Control Standard”]

Incorporated into Requirement A.1.1

2.2. Parties to whom the complete tag is provided. The tag, including all updates and notifications, shall be provided to the following entities:

- Generation Providing Entity
- Generation CONTROL AREA
- TRANSMISSION PROVIDERS
- Transmission Customers
- SCHEDULING ENTITIES
- Intermediate PURCHASING-SELLING ENTITIES (Title-Holders)
- Load CONTROL AREA

² This includes all “grandfathered” and other “non-888” Point-to-Point Transmission Service

A. Interchange Transaction Implementation

- LOAD-SERVING ENTITY
- Market Redispatch Notification Entities (if specified)
- Security Analysis Services

Incorporated into Requirement A.1.2 and NAESB 6.0

2.3. Method of transmitting the tag. The PURCHASING-SELLING ENTITY shall submit the INTERCHANGE TRANSACTION tag in the format established by each INTERCONNECTION. [“E-Tag Spec” or “Transaction Tagging Process within ERCOT Reference Document”]

NAESB 9.0

2.3.1. Tags for INTERCHANGE TRANSACTIONS that cross INTERCONNECTION boundaries. Procedures are found in Appendix 3A2, “Tagging Across Interconnection Boundaries.”

Incorporated into Requirement A.1.1

2.4. INTERCHANGE TRANSACTION submission time. To provide adequate time for INTERCHANGE SCHEDULE implementation, INTERCHANGE TRANSACTIONS shall be submitted as specified in Appendix 3A1, “Tag Submission and Response Timetable.”

Incorporated into Requirement A.1.3

2.4.1. Exception for security reasons. Exception to the submission time requirements in Section 2.4 is allowed if immediate changes to the INTERCHANGE TRANSACTIONS are required to mitigate an OPERATING SECURITY LIMIT violation. The tag may be submitted after the emergency TRANSACTION has been implemented but no later than 60 minutes.

Incorporated into Requirement A.1.3.1

2.5. Confirmation of tag receipt. Confirmation of tag receipt shall be provided to the PURCHASING-SELLING ENTITY who submitted the tag in accordance with INTERCONNECTION tagging practices. [“E-Tag Spec”]

Not Included in NAESB business practices

2.6. Tag acceptance. An INTERCHANGE TRANSACTION tag shall be accepted if all required information is valid and provided in accordance with the tagging specifications in Requirement 2.

Not Included in NAESB business practices

3. INTERCHANGE TRANSACTION tag receipt verification. The SINK CONTROL AREA shall verify the receipt of each INTERCHANGE TRANSACTION tag with the TRANSMISSION PROVIDERS, and CONTROL AREAS on the SCHEDULING PATH before the INTERCHANGE TRANSACTION is implemented.

Not Included in NAESB business practices

4. INTERCHANGE TRANSACTION assessment. GENERATION PROVIDING ENTITIES, LOAD SERVING ENTITIES, TRANSMISSION PROVIDERS, CONTROL AREAS on the SCHEDULING PATH, and other operating entities responsible for operational security shall be responsible for assessing and “approving” or “denying”

NERC expects that Approval Entities have the proper resources to perform these assessments. Lack of these tools is not a reason to deny an Interchange Transaction. Resources include personnel and tools.

A. Interchange Transaction Implementation

INTERCHANGE TRANSACTIONS as requested by PURCHASING-SELLING ENTITIES, based on established reliability criteria and adequacy of INTERCONNECTED OPERATIONS SERVICES and transmission rights as well as the reasonableness of the INTERCHANGE TRANSACTION tag. GENERATION PROVIDING ENTITIES and LOAD SERVING ENTITIES may elect to defer their approval responsibility to their HOST CONTROL AREA. This assessment shall include the following:

The CONTROL AREA assesses:

- TRANSACTION start and end time
- ENERGY PROFILE (ABILITY OF GENERATION MANEUVERABILITY TO ACCOMMODATE)
- SCHEDULING PATH (proper connectivity of ADJACENT CONTROL AREAS)

The TRANSMISSION PROVIDER assesses:

- Valid OASIS reservation number or transmission contract identifier
- Proper transmission priority
- Energy profile accommodation (does energy profile fit OASIS reservation?)
- OASIS reservation accommodation of all INTERCHANGE TRANSACTIONS

Incorporated into Requirement A.3

- Loss accounting

NAESB 14.0 and 14.1

The GENERATION PROVIDING ENTITY and LOAD-SERVING ENTITY assess:

- Transaction is valid representation of contractually agreed upon energy delivery

NAESB 4.0 ??

4.1. Tag corrections. During the CONTROL AREAS' and TRANSMISSION PROVIDERS' assessment time, the PURCHASING-SELLING ENTITY who submitted the tag may elect to submit a tag correction. Tag corrections are changes to an existing tag that do not affect the reliability impacts of the INTERCHANGE TRANSACTION; therefore, tag corrections do not require the complete re-assessment of the tag by all CONTROL AREAS and TRANSMISSION PROVIDERS on the SCHEDULING PATH, or the completion and submission of a new tag by the PURCHASING-SELLING ENTITY. The SINK CONTROL AREA shall notify all CONTROL AREAS and TRANSMISSION PROVIDERS on the SCHEDULING PATH of the correction, and specifically alert those entities for which a correction has impact. Entities who are impacted by the correction will have an opportunity to reevaluate the tag status. The timing requirements for corrections are found in **Appendix 3A1, "Tag Submission and Response Timetable."** Tag items that may be corrected are found in **Appendix 3A4, "Required Tag Data."** A description of those entities who may correct an INTERCHANGE TRANSACTION tag is found in **Appendix 3D, "Transaction Tag Actions."** [See Appendix 3A1 Subsection C, Interchange Transaction Corrections.]

NAESB 10.0

A. Interchange Transaction Implementation

5. INTERCHANGE TRANSACTION approval or denial. Each CONTROL AREA or TRANSMISSION PROVIDER on the SCHEDULING PATH responsible for assessing and “approving” or “denying” the INTERCHANGE TRANSACTION shall notify the SINK CONTROL AREA. The SINK CONTROL AREA in turn notifies the PURCHASING-SELLING ENTITY who submitted the INTERCHANGE TRANSACTION tag, plus all other CONTROL AREAS and TRANSMISSION PROVIDERS on the SCHEDULING PATH. Assessment timing requirements are found in **Appendix 3A1, “Tag Submission and Response Timetable.”** A description of those entities who may approve or deny an INTERCHANGE TRANSACTION is found in **Appendix 3D, “Transaction Tag Actions.”**

Incorporated into Requirement A.4

5.1. INTERCHANGE TRANSACTION denial. If denied, this notification shall include the reason for the denial.

NAESB 7.1

5.2. INTERCHANGE TRANSACTION approval. The INTERCHANGE TRANSACTION is considered approved if the PURCHASING-SELLING ENTITY who submitted the INTERCHANGE TRANSACTION tag has received confirmation of tag receipt and has not been notified that the transaction is denied.

Not Included in NAESB business practices

6. Responsibility for INTERCHANGE TRANSACTION implementation. The SINK CONTROL AREA is responsible for initiating the implementation of each INTERCHANGE TRANSACTION as tagged in accordance with Policy 3.A. Requirement 2 (and its subparts). The INTERCHANGE TRANSACTION is incorporated into the INTERCHANGE SCHEDULE(S) of all CONTROL AREAS on the SCHEDULING PATH in accordance with Policy 3B.

Incorporated into Requirement A.5

6.1. Tag requirements for INTERCHANGE TRANSACTION implementation. The CONTROL AREA shall implement only those INTERCHANGE TRANSACTIONS that:

- Have been tagged in accordance with Requirement 2 above, or,
- Are exempt from tagging in accordance with Requirement 2.1 above.

Incorporated into Requirement A.5.1

7. Tag requirements after curtailment has ended. After the curtailment of a TRANSACTION has ended, the INTERCHANGE TRANSACTION’S energy profile will return to the originally requested level unless otherwise specified by the PURCHASING-SELLING ENTITY. [See **Interchange Transaction Reallocation During TLR Levels 3a and 5a Reference Document, Version 1 Draft 6.**]

Not Included in NAESB business practices

8. Confidentiality of information. RELIABILITY COORDINATORS, CONTROL AREAS, TRANSMISSION PROVIDERS, PURCHASING-SELLING ENTITIES, and entities serving as tag agents or service providers as provided in the **“E-Tag Spec”** shall not disclose INTERCHANGE TRANSACTION information to any PURCHASING-SELLING ENTITY except as provided for in Requirement 2.2 above, **“Parties to whom the complete tag is provided.”**

Not Included in NAESB business practices

B. Interchange Schedule Implementation

[Policy 2A, “Transmission—Transmission Operations”]

Introduction

This section explains CONTROL AREA requirements for implementing the INTERCHANGE SCHEDULES that result from the INTERCHANGE TRANSACTIONS tagged by the PURCHASING-SELLING ENTITIES in Section A.

Requirements

1. **CONTROL AREAS must be adjacent.** INTERCHANGE SCHEDULES shall only be implemented between ADJACENT CONTROL AREAS.

Incorporated into Requirement B.1

2. **Sharing INTERCHANGE SCHEDULES details.** The SENDING CONTROL AREA and RECEIVING CONTROL AREA must provide the details of their INTERCHANGE SCHEDULES via the Interregional Security Network as specified in Policy 4.B.

This will be part of Version 0 of Policy 4

3. **Providing tags for approved TRANSACTIONS to the RELIABILITY COORDINATOR.** The SINK CONTROL AREA shall provide its RELIABILITY COORDINATOR the information from the INTERCHANGE TRANSACTION tag electronically for each Approved INTERCHANGE TRANSACTION.

Incorporated into Requirement B.3

4. **INTERCHANGE SCHEDULE confirmation and implementation.** The RECEIVING CONTROL AREA is responsible for initiating the confirmation and implementation of the INTERCHANGE SCHEDULE with the SENDING CONTROL AREA.

Incorporated into Requirement B.4

- 4.1. **INTERCHANGE SCHEDULE agreement.** The SENDING CONTROL AREA and RECEIVING CONTROL AREA shall agree with each other on the:

- INTERCHANGE SCHEDULE start and end time
- Ramp start time and rate
- Energy profile

This agreement shall be made before either the SENDING CONTROL AREA or RECEIVING CONTROL AREA makes any generation changes to implement the INTERCHANGE SCHEDULE.

Incorporated into Requirement B.4.1

- 4.1.1. **INTERCHANGE SCHEDULE standards.** The SENDING CONTROL AREA and RECEIVING CONTROL AREA shall comply with the INTERCHANGE SCHEDULE Standards in Policy 3C, “Interchange – Schedule Standards.”

This is referencing another part of this Policy

B. Interchange Schedule Implementation

4.1.2. Operating reliability criteria. CONTROL AREAS shall operate such that INTERCHANGE SCHEDULES or schedule changes do not knowingly cause any other systems to violate established operating reliability criteria.

This is the responsibility of the Transmission Provider prior to granting rights on the Transmission System. Having Transmission rights is measured in Requirement A.3

4.1.3. DC tie operator. SENDING CONTROL AREAS and RECEIVING CONTROL AREAS shall coordinate with any DC tie operators on the SCHEDULING PATH.

Incorporated into Requirement B.4.1.1

5. Maximum scheduled interchange. The maximum NET INTERCHANGE SCHEDULE between two CONTROL AREAS shall not exceed the lesser of the following:

5.1. Total capacity of facilities. The total capacity of both the owned and arranged-for transmission facilities in service between the two CONTROL AREAS, or

5.2. Total Transfer Capability. The established network Total Transfer Capability (TTC) between the CONTROL AREAS, which considers other transmission facilities available to them under specific arrangements, and the overall physical constraints of the transmission network. Total Transfer Capability is defined in *Available Transfer Capability Definitions and Determination*, NERC, June 1996.

This is the responsibility of the Transmission Provider prior to granting rights on the Transmission System. Having Transmission rights is measured in Requirement A.3

C. Interchange Schedule Standards

Standards

1. **INTERCHANGE SCHEDULE start and end time.** INTERCHANGE SCHEDULES shall begin and end at a time agreed to by the SOURCE CONTROL AREA, SINK CONTROL AREA, and the INTERMEDIARY CONTROL AREAS.

Incorporated into Requirement B.4.1

2. **Ramp start times.** CONTROL AREAS shall ramp the INTERCHANGE equally across the start and end times of the schedule.

Incorporated into Requirement B.4.1 (ramp agreement)

3. **Ramp duration.** CONTROL AREAS shall use the ramp duration established by their INTERCONNECTION as follows unless they agree otherwise:

- 3.1. **INTERCHANGE SCHEDULES within the Eastern and ERCOT INTERCONNECTIONS.** ten-minute ramp duration.

Incorporated into Requirement B.5.1

- 3.2. **INTERCHANGE SCHEDULES within the Western INTERCONNECTION.** 20-minute ramp duration.

Incorporated into Requirement B.5.2

- 3.3. **INTERCHANGE SCHEDULES that cross an INTERCONNECTION boundary.** The CONTROL AREAS that implement INTERCHANGE SCHEDULES that cross an INTERCONNECTION boundary must use the same start time and ramp durations.

Incorporated into Requirement B.4.1 (ramp agreement)

- 3.4. **Exceptions for Compliance with Disturbance Control Standard and Line Load Relief.** Ramp durations for INTERCHANGE SCHEDULES implemented for compliance with NERC's Disturbance Control Standard (recovery from a disturbance condition) and INTERCHANGE TRANSACTION curtailment in response to line loading relief procedures may be shorter, but must be identical for the SENDING CONTROL AREA and RECEIVING CONTROL AREA [See also Policy 1B, "Generation Control Performance – Disturbance Control Standard," Requirement 2 and subsections on contingency reserve.]

Incorporated into Requirement B.5.3

4. **INTERCHANGE SCHEDULE accounting.** Block accounting shall be used.

NAESB 13.0

D. Interchange Transaction Modifications

Introduction

This section specifies PURCHASING-SELLING ENTITY's, TRANSMISSION PROVIDER's and CONTROL AREA's rights and requirements for modifying an INTERCHANGE TRANSACTION tag after it has been approved and implemented as described in the preceding sections.

Requirements

- 1. INTERCHANGE TRANSACTION modification for market-related issues.** The PURCHASING-SELLING ENTITY that submitted an INTERCHANGE TRANSACTION tag may modify an INTERCHANGE TRANSACTION tag that is in progress or scheduled to be started. These modifications may be made due to changes in contracts, economic decisions, or other market-based influences. In cases where a market operator is serving as the source or sink for a TRANSACTION, then they shall have the right to effect changes to the energy flow as well (based on the results of the market clearing).

NAESB 10.0, 11.0

- 1.1. Increases.** The INTERCHANGE TRANSACTION tag's energy and/or committed transmission reservation(s) profile may be increased to reflect a desire to flow more energy or commit more transmission than originally requested. Necessary transmission must be either available from the earlier TRANSACTION or provided with the increase.
- 1.2. Extensions.** The INTERCHANGE TRANSACTION tag's energy profile may be extended to reflect a desire to flow energy during hours not previously specified. Necessary transmission capacity must be provided with the extension.
- 1.3. Reductions.** The INTERCHANGE TRANSACTION tag's energy and/or committed transmission reservation(s) profile may be reduced to reflect a desire to flow less energy or commit less transmission than originally requested. Reductions are used to indicate cancellations and terminations, as well as partial decreases.
- 1.4. Combinations of 1.1, 1.2, and 1.3 may be submitted concurrently.**

NAESB 10.0, 11.0

- 1.5. Coordination responsibilities of the PURCHASING-SELLING ENTITY.** The modification must be provided by the PURCHASING-SELLING ENTITY to the following INTERCHANGE TRANSACTION participants:

- GENERATION PROVIDING ENTITY
- Generation CONTROL AREA
- TRANSMISSION PROVIDERS
- TRANSMISSION CUSTOMERS
- SCHEDULING ENTITIES
- Intermediate PURCHASING-SELLING ENTITIES (Title-Holders)
- Load CONTROL AREA
- LOAD-SERVING ENTITY
- Market Redispatch Notification Entities (if specified)

FERC Orders 888, 889, 638, and a provider's OATT guide transmission requests. Tagging policy shall not supersede OASIS requirements.

- Security Analysis Services

Incorporated into Requirement A.1.2

- 1.6 INTERCHANGE TRANSACTION modification and evaluation time.** To provide adequate time for INTERCHANGE SCHEDULE implementation, INTERCHANGE TRANSACTION modifications shall be requested and evaluated as specified in Section D of **Appendix 3A1, “Tag Submission and Evaluation Timetable.”**

Incorporated into Requirement A.1.3

- 2. INTERCHANGE TRANSACTION modification for reliability-related issues.** A RELIABILITY COORDINATOR, TRANSMISSION PROVIDER, SCHEDULING ENTITY, GENERATION CONTROL AREA, or LOAD CONTROL AREA may modify an INTERCHANGE TRANSACTION tag that is in progress or scheduled to be started. These modifications may be made *only* due to TLR events (or other regional congestion management practices), Loss of Generation, or Loss of Load.

Incorporated into Requirement C.1

- 2.1. Assignment of coordination responsibilities during TLR events.** At such times when TLR is required to ensure reliable operation of the electrical system, and the TLR requires holding or curtailing INTERCHANGE TRANSACTIONS, the LOAD CONTROL AREA is responsible for coordinating the modifications to the appropriate INTERCHANGE TRANSACTION tags. See **Policy 9, Appendix 9C1 “Transmission Loading Relief Procedure – Eastern Interconnection.”**

Incorporated into Requirement C.1.a

- 2.1.1. Reductions.** When a RELIABILITY COORDINATOR must curtail or hold an INTERCHANGE TRANSACTION to respect TRANSMISSION SERVICE reservation priorities or to mitigate potential or actual OPERATING SECURITY LIMIT violations, the RELIABILITY COORDINATOR shall inform the LOAD CONTROL AREA listed on the INTERCHANGE TRANSACTION tag of the greatest reliable level at which the affected INTERCHANGE TRANSACTION may flow.

Incorporated into Requirement C.1a.1

- 2.1.2. Reloads.** At such time as the TLR event allows for the reloading of the transaction, the RELIABILITY COORDINATOR shall inform the LOAD CONTROL AREA listed on the INTERCHANGE TRANSACTION tag of the releasing of the INTERCHANGE TRANSACTION’S limit.

Not Included in NAESB business practices

- 2.2. Coordination when implementing other congestion management procedures.** As a part of some local and regional congestion management and transmission line overload procedures, the TRANSMISSION PROVIDER or SCHEDULING ENTITY is responsible for implementing curtailment of INTERCHANGE TRANSACTIONS. The TRANSMISSION PROVIDER or affected SCHEDULING ENTITY may adjust the INTERCHANGE TRANSACTION tags as required to implement those local and regional congestion management or transmission overload relief procedures that have been approved by the Region(s) or NERC.

Incorporated into Requirement C.1.b

- 2.2.1. Reductions.** When a TRANSMISSION PROVIDER or SCHEDULING ENTITY experiences the need to invoke a congestion management or transmission line

overload procedure, it may use the curtailment feature of E-Tag to inform the GENERATION CONTROL AREA and the LOAD CONTROL AREA listed on the INTERCHANGE TRANSACTION tag of the greatest reliability limit at which the affected INTERCHANGE TRANSACTION may flow.

Incorporated into Requirement C.1.b.1

2.2.2. Reloads. At such time as the need for the congestion management or transmission line overload relief procedure allows for the full or partial reloading of the transaction, the TRANSMISSION PROVIDER or SCHEDULING ENTITY may use the reload feature of E-Tag to inform the GENERATION CONTROL AREA and the LOAD CONTROL AREA listed on the INTERCHANGE TRANSACTION tag that the INTERCHANGE TRANSACTION'S reliability limit has changed.

2.3. Assignment of coordination responsibilities during a loss of generation. At such times when a loss of generation necessitates curtailing INTERCHANGE TRANSACTIONS, the Generation CONTROL AREA is responsible for coordinating the modifications to the appropriate INTERCHANGE TRANSACTION tags.

Incorporated into Requirement C.1.c

2.3.1. Reductions. When a generation operator experiences a full or partial loss of generation, it shall notify the HOST CONTROL AREA (the GENERATION CONTROL AREA for the INTERCHANGE TRANSACTION). The HOST CONTROL AREA contacts the GENERATION PROVIDING ENTITY that is responsible for the generation. The GENERATION PROVIDING ENTITY determines what schedule modifications need to be made and may request those modifications as market-based reductions, increases, or extensions (either via the tag author, or directly if the entity is the tag author or a market operator). If the GENERATION PROVIDING ENTITY does not resolve the condition, the HOST CONTROL AREA may at its discretion curtail INTERCHANGE TRANSACTIONS associated with the generation.

Incorporated into Requirement C.1.c.1

2.3.2. Reloads. Upon return of the generation, the generator operator shall notify the HOST CONTROL AREA (the GENERATION CONTROL AREA for the INTERCHANGE TRANSACTION). The HOST CONTROL AREA contacts the GENERATION PROVIDING ENTITY that is responsible for the generation. The GENERATION PROVIDING ENTITY determines what schedule modifications need to be made and may request those modifications as market-based reductions, increases, or extensions (either via the tag author, or directly if the entity is the tag author or a market operator). The HOST CONTROL AREA must release the limits previously imposed on INTERCHANGE TRANSACTIONS associated with the generation (but not override any market-based reductions).

2.4. Assignment of coordination responsibilities during a loss of load. At such times when a loss of load necessitates curtailing INTERCHANGE TRANSACTIONS, the LOAD CONTROL AREA is responsible for coordinating the modifications to the appropriate INTERCHANGE TRANSACTION tags.

Incorporated into Requirement C.1.d

2.4.1. Reductions. When a LOAD-SERVING ENTITY experiences a loss of load, it shall notify its HOST CONTROL AREA (the LOAD CONTROL AREA for the INTERCHANGE TRANSACTION) and determine what schedule modifications need

to be made. The LOAD-SERVING ENTITY may request those modifications as market-based reductions, increases, or extensions (either via the tag author, or directly if the entity is the tag author or a market operator). If the LOAD-SERVING ENTITY does not notify the HOST CONTROL AREA, the HOST CONTROL AREA may at its discretion curtail INTERCHANGE TRANSACTIONS associated with the load.

Incorporated into Requirement C.1.d.1

2.4.2. Reloads. Upon return of the load, THE LOAD-SERVING ENTITY shall notify its HOST CONTROL AREA (the LOAD CONTROL AREA for the INTERCHANGE TRANSACTION) and determine what schedule modifications need to be made. The LOAD-SERVING ENTITY may request those modifications as market-based reductions, increases, or extensions (either via the tag author, or directly if the entity is the tag author or a market operator). If the LOAD-SERVING ENTITY does not notify the HOST CONTROL AREA, the HOST CONTROL AREA must release the limits previously imposed on INTERCHANGE TRANSACTIONS associated with the load (but not override any market-based reductions).

2.5. Coordination responsibilities for reliability-related issues. The modification must be provided by the requesting CONTROL AREA, TRANSMISSION PROVIDER, or SCHEDULING ENTITY to the following INTERCHANGE TRANSACTION participants:

- Generation Providing Entity
- Generation CONTROL AREA
- TRANSMISSION PROVIDERS
- Transmission Customers
- SCHEDULING ENTITIES
- Intermediate PURCHASING-SELLING ENTITIES (Title-holders)
- Load CONTROL AREA
- LOAD-SERVING ENTITY
- Market Redispatch Notification Entities (if specified)
- Security Analysis Services

Incorporated into Requirement C.1.e

2.6. INTERCHANGE TRANSACTION modification and evaluation time. To provide adequate time for INTERCHANGE SCHEDULE implementation, INTERCHANGE TRANSACTION modifications shall be requested and evaluated as specified in **Appendix 3A1, “Tag Submission and Evaluation Timetable**

Incorporated into Requirement C.1.f

The Essence of Policy 3

Tag all transactions prior to implementation.

Provide the tag for reliability review.

Perform reliability review prior to implementation.

Agree on Interchange Schedule profile, ramp, start and end times.

Implement what you agree on.

Adjust Interchange transaction for reliability reasons.