



## **TLR General Update Drafting Team**

**701 City Center Drive  
Carmel, Indiana 46032  
November 6, 2006**

### **Minutes**

#### **Administrative**

Bill Lohrman led the welcome of the ATCT SAR drafting team members and guests (**Exhibit A**). Bill Lohrman reviewed the antitrust guidelines. Bill Lohrman reviewed the objectives of the meeting (**Exhibit B**).

#### **Attendance**

Daryn Barker, E.ON US

Frank Koza, PJM

Tom Mallinger, Midwest ISO

Narinder Saini, Entergy

Joel Dison, Southern Company Generation

Dave Marton, FirstEnergy

Bill Lohrman, Prague Power, LLC

Via phone:

Sue Mangum-Goins, TVA

DeDe Kirby, NAESB

Kathy York, TVA

Dennis Harrison, Prague Power, LLC

#### **TLR SAR Review**

Based on a review of comments and industry activity related to the TLR process, the drafting team adopted a phased approach in SAR for standard development. The SAR drafting team will propose that each phase be balloted separately for sake of efficiency and clarity. The SAR drafting team believes that each of the phases is conceptually different and should be developed separately. **The drafting team is recommending that the SAR (Exhibit C) be approved to proceed to the standard drafting phase.**

The four phases recommended by the SAR drafting team are:

- 1) NERC / NAESB split of reliability standards and business practices
- 2) MISO/SPP/PJM curtailment threshold change to 3% field test
- 3) Completing work needed to make the SPP Urgent Action permanent
- 4) Incorporation of additional changes as suggested by commenters.

Phases 1 and 2 would be worked on concurrently, followed by phases 3 and 4.

For Phase 1, the drafting team completed their review of comments from industry related to the NERC / NAESB split using an updated format (**Exhibit D**).

For Phase 2, Tom Mallinger explained the basis for their request to conduct a Curtailment Threshold Field Test (**Exhibit E**). The MISO/SPP/PJM markets currently report Gen to Load impacts to the IDC down to zero percent. When relief is called for in the IDC the market flow impacts are being called for, and the markets are unable to redispatch generation to accomplish relief due to very small impacts. MISO/PJM/SPP are asking for 3% as recommended by the ORS in the regional differences for a 12

month interim period. The SAR drafting team recommends that the field test be approved by the SC and will send a request to the compliance program for a request to approve the field test.

For Phase 3, Lanny Nickell reviewed the changes needed to make the SPP Urgent Action Regional Difference permanent. The change allows SPP to provide market flow values to the IDC. The regional difference would start when the SPP market begins, now scheduled for February 1, 2007. The TLR drafting team plans to complete the work on this phase by August 2, 2007, the expiration date of the urgent action.

For Phase 4, the SAR drafting team reviewed additional changes for incorporation in the SAR, as appropriate, based on comments (**Exhibit F**) from original posting, and will work on incorporating some of the suggested changes in Phase 4. Also, as part of this phase, the SAR drafting team also reviewed the comments related to the withdrawn market flow TLR SAR, and determined that those comments would be essentially addressed in the work to make the SPP regional difference permanent and that additional changes suggested by those comments would not be necessary.

The meeting was adjourned.

**Transmission Loading Relief (TLR) Drafting Team  
November 6, 2006 Meeting Attendance**

**Daryn Barker**

Sr. Analyst - Market Policy  
E.ON-US Energy Services Inc.

**Joel J. Dison**

Project Coordinator  
Southern Company Services, Inc.

**Frank J. Koza**

Executive Director, System  
Operations  
PJM Interconnection, L.L.C.

**Dave Marton**

Senior Engineer  
FirstEnergy Solutions

**Narinder K. Saini**

Policy Consultant  
Entergy Services, Inc.

**Tom Mallinger**

Interregional Coordinator  
Midwest ISO

**NERC Consultant**

**William W. Lohrman**

Managing Director  
Prague Power, LLC

**Via Conference Call**

**Sue Mangum**

Tennessee Valley Authority

**Kathy York**

Tennessee Valley Authority

**DeDe Kirby**

NAESB

**Dennis Harrison**

Prague Power, LLC



## **TLR General Update**

November 6, 2006 8:00 am – 5:00 pm  
Midwest ISO Lakeside Conference Center (LCC), Room 3\*  
701 City Center Drive  
Carmel, Indiana 46032  
317-249-5400

Conference Phone Number: 1(732)694-2061. Conference code is 11341106#

Webex Meeting Number: 711 201 540 Meeting password: 123456

<https://nerc.webex.com/nerc/j.php?ED=90373427>

<https://nerc.webex.com>

### **Agenda**

1. Welcome and Introductions
  - a. NERC TLR Drafting Team Roster (**Attachment 1a**)  
Chairman Zwergel will lead the welcome of the ATCT drafting team members and guests.
  - b. Antitrust Compliance Guidelines — Bill Lohrman (**Attachment 1b**)  
Bill Lohrman will review the NERC Antitrust Compliance Guidelines provided in Attachment 1b. 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 that 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.
  - c. Review of Agenda — L. Middleton  
Chairman Zwergel will review the objectives of the meeting.
2. Review Minutes of Last Meeting (**Attachment 2**)
3. Comments from industry.
  - a. Final review of comments in new format (**Attachment 3a**)
  - b. Phased approach of SAR and standard development
    - i. NERC / NAESB split (**Attachment 3bi**)
      1. completed comments
      2. will recommend that this split be voted on separately
    - ii. Request MISO/SPP/PJM Curtailment Threshold Field Test (**Attachment 3bii**)
      1. The MISO/SPP/PJM markets currently report Gen to Load impacts to the IDC down to zero percent.

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\* Directions to LCC included in agenda package

2. When relief is called for in the IDC the market flow impacts are being called for, and the markets are unable to redispatch generation to accomplish relief due to very small impacts.
    3. MISO/PJM/SPP are asking for 3% as recommended by the ORS in the regional differences for a 12 month interim period.
    4. SAR drafting team will recommend that the field test be approved by the SC and will send a request to the compliance program for a request to approve the field test.
  - iii. Making SPP Urgent Action Regional Difference permanent (**Attachment 3biii - section E.2 of IRO-006-3**)
    1. Allows SPP to provide market flow values to the IDC
    2. Would start when the SPP market begins, now scheduled for February 1, 2007
    3. Need to be completed by August 2, 2007.
  - iv. Incorporation of changes, as appropriate, based on comments from original posting (see **Attachment 3a**), (see attached file)
  - v. Review of market flow changes from withdrawn SAR to determine whether they should be added as a phase in the development of this standard.
    1. The drafting team reviewed the comments from the withdrawn SAR and determined that if the SPP regional difference is made permanent that the additional changes suggested by those comments would not be necessary..
4. Complete SAR revisions and request authorization to proceed with standard development (**Attachment 4**)
5. Next Meetings
  - a. Dec 5, 2006 Houston 9am – 5pm  
(NAESB offices, NERC schedules Webex and Conference Bridge)
  - b. Jan 10–11, 2006 Houston/Dallas noon to noon
6. Adjourn

When completed, email to: [gerry.cauley@nerc.net](mailto:gerry.cauley@nerc.net)

## Standard Authorization Request Form

Title of Proposed Standard Relief IRO-006-0	Reliability Coordination – Transmission Loading
Request Date Revised	11/6/06

SAR Requestor Information	SAR Type (Put an 'x' in front of one of these selections)
Name David Zwergel	<input type="checkbox"/> New Standard
Primary Contact David Zwergel	<input checked="" type="checkbox"/> Revision to existing Standard
Telephone (317) 249-5452 Fax (317) 249-5910	<input type="checkbox"/> Withdrawal of existing Standard
E-mail dzwergel@midwestiso.org	<input type="checkbox"/> Urgent Action

**Purpose/Industry Need** (Provide one or two sentences)

In August 2004, NERC and NAESB agreed to immediately begin a joint effort to update the Eastern Interconnection TLR Procedure, as reflected in Attachment 1 to reliability standard IRO-006-0, to divide the reliability requirements and business practices, and to incorporate other necessary improvements to the TLR procedure.

In December 2004 NERC and NAESB formed the joint TLR Subcommittee to clarify and focus Attachment 1 to NERC reliability standard IRO-006-0 on the TLR requirements that are necessary for reliability, as distinguished from those TLR requirements that are business practices. In August 2006 NERC formed the SAR drafting team for this activity.

As a result of the comments received, the SAR drafting team is recommending that the Standards Drafting effort be divided into four phases and when ready, balloted separately.

Phase I – completing the split between NERC reliability standards and NAESB business practices

Phase II – conducting a field test for changing the TLR Market Flow curtailment threshold in the MISO/PJM/SPP markets from 0% to 3% for a 12 month evaluation period. (Description attached)

Phase III – completing the work required to make the SPP TLR regional difference (E.2) permanent for the Urgent Action that was approved on August 2, 2006.

Phase IV- other suggested incremental changes as determined by the drafting team in response (drafting team replies attached) to the comments

Phase I would be worked on concurrently with Phase II.

## Reliability Functions

The Standard will Apply to the Following Functions (Check box for each one that applies by double clicking the grey boxes.)		
<input checked="" type="checkbox"/>	Reliability Authority	Ensures the reliability of the bulk transmission system within its Reliability Authority area. This is the highest reliability authority.
<input checked="" type="checkbox"/>	Balancing Authority	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within its metered boundary and supports system frequency in real time
<input type="checkbox"/>	Interchange Authority	Authorizes valid and balanced Interchange Schedules
<input type="checkbox"/>	Planning Authority	Plans the bulk electric system
<input type="checkbox"/>	Resource Planner	Develops a long-term (>1year) plan for the resource adequacy of specific loads within a Planning Authority area.
<input type="checkbox"/>	Transmission Planner	Develops a long-term (>1 year) plan for the reliability of transmission systems within its portion of the Planning Authority area.
<input checked="" type="checkbox"/>	Transmission Service Provider	Provides transmission services to qualified market participants under applicable transmission service agreements
<input checked="" type="checkbox"/>	Transmission Owner	Owens transmission facilities
<input checked="" type="checkbox"/>	Transmission Operator	Operates and maintains the transmission facilities, and executes switching orders
<input type="checkbox"/>	Distribution Provider	Provides and operates the “wires” between the transmission system and the customer
<input checked="" type="checkbox"/>	Generator Owner	Owens and maintains generation unit(s)
<input checked="" type="checkbox"/>	Generator Operator	Operates generation unit(s) and performs the functions of supplying energy and Interconnected Operations Services
<input checked="" type="checkbox"/>	Purchasing-Selling Entity	The function of purchasing or selling energy, capacity and all necessary Interconnected Operations Services as required
<input checked="" type="checkbox"/>	Market Operator	Integrates energy, capacity, balancing, and transmission resources to achieve an economic, reliability-constrained dispatch.
<input checked="" type="checkbox"/>	Load-Serving Entity	Secures energy and transmission (and related generation services) to serve the end user

## Reliability and Market Interface Principles

<b>Applicable Reliability Principles</b> (Check boxes for all that apply by double clicking the grey boxes.)	
<input checked="" type="checkbox"/>	1. Interconnected bulk electric systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
<input type="checkbox"/>	2. The frequency and voltage of interconnected bulk electric systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
<input checked="" type="checkbox"/>	3. Information necessary for the planning and operation of interconnected bulk electric systems shall be made available to those entities responsible for planning and operating the systems reliably.
<input checked="" type="checkbox"/>	4. Plans for emergency operation and system restoration of interconnected bulk electric systems shall be developed, coordinated, maintained and implemented.
<input checked="" type="checkbox"/>	5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk electric systems.
<input type="checkbox"/>	6. Personnel responsible for planning and operating interconnected bulk electric systems shall be trained, qualified and have the responsibility and authority to implement actions.
<input checked="" type="checkbox"/>	7. The security of the interconnected bulk electric systems shall be assessed, monitored and maintained on a wide area basis.
<b>Does the proposed Standard comply with all of the following Market Interface Principles?</b> (Select 'yes' or 'no' from the drop-down box by double clicking the grey area.)	
1. The planning and operation of bulk electric systems shall recognize that reliability is an essential requirement of a robust North American economy. Yes	
2. An Organization Standard shall not give any market participant an unfair competitive advantage. Yes	
3. An Organization Standard shall neither mandate nor prohibit any specific market structure. Yes	
4. An Organization Standard shall not preclude market solutions to achieving compliance with that Standard. Yes	
5. An Organization Standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards. Yes	

**Detailed Description** (Provide enough detail so that an independent entity familiar with the industry could draft, modify, or withdraw a Standard based on this description.)

### **Phase I**

NERC and NAESB formed the joint TLR Subcommittee with the charge to review Attachment 1 (Transmission Loading Relief Procedure — Eastern Interconnection) of IRO-006-0 (Reliability Coordination — Transmission Loading Relief), and to identify each reliability requirement and business practice embedded within the the TLR procedure. The joint NERC/NAESB TLR Subcommittee completed its charge on June 1, 2005, when the subcommittee approved a Final Consensus Division of TLR for Version 0 Reliability Practices [Standards] and a Final Consensus Division of TLR for Version 0 Business Practices. NAESB subsequently adopted the business practice document as a business practice standard.

This reliability standards development effort will begin by assessing for completeness and accuracy the revised Attachment 1 developed by the TLR Subcommittee using the SAR drafting team's annotated TLR procedure that indicates the agreement for the functional split. The end state of this standard development effort will be a revised Attachment 1 to reliability standard IRO-006-3, and working in coordination with NAESB, a revised NAESB TLR business practice.

When established, it is anticipated that the standard drafting team will work with NAESB to jointly publish the respective NERC and NAESB standards in an integrated document.

### **Phase II**

The drafting team has included as an attachment to the Standards Committee and the NERC Compliance Program a request to conduct a field test of the MISO/PJM/SPP change to the Market Flow Threshold Change in the TLR Regional Differences E.1 and E.2 from 0% to 3%.

Phase III The SAR drafting team recommends that the Urgent Action SPP regional difference be submitted through the formal standards drafting process to make the Urgent Action permanent.

### **Phase IV**

Based on the assumption that the MISO/PJM and SPP regional differences (E.1 and E.2) will remain part of the standard, the drafting team does not see the need for additional work to be performed on the issues raised by the TLR Market Flow SAR that was withdrawn.

The drafting team will work on some additional changes on the standard suggested by the commenters.

- Providing reliability performance specifications, such as X MWs of relief or % of relief in Y minutes needed to maintain the system security in the interconnected environment
- Review removal or change of ramp limits during TLR as an impediment to meeting relief requirements

- Review consistent use of the term Interchange Transactions in the standard.

As suggested by the Joint Interchange Scheduling Working Group

- Review resolving the reloading of curtailed transactions above their reliability limit by an entity other than the initiating entity or above any pre-existing reliability or market profiles.
- Reviewing automatic reloading procedure problems not resolved by CO-148 by specifying requirements and performance measures in the TLR standard (may also be addressed through NAESB business practices and modifications to the e-Tag specification).
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***Related Standards***

<b>Standard No.</b>	<b>Explanation</b>
IRO-006-0	Attachment 1 (TLR Procedure) to be replaced by a similar document addressing only the reliability elements of the TLR Procedure.
IRO-006-0	The urgent action revision to Attachment 1 that addressed the holding of dynamic schedules during TLR Level 1-4 will be incorporated into the NAESB TLR business practices.

***Related SARs***

<b>SAR ID</b>	<b>Explanation</b>

***Regional Differences***

<b>Region</b>	<b>Explanation</b>
ECAR	

ERCOT	
FRCC	
MAAC	
MAIN	
MAPP	
NPCC	
SERC	
SPP	
WECC	

***Related NERC Operating Policies or Planning Standards***

ID	Explanation

**Consideration of Comments on Draft 1 of SAR for General Update to IRO-006 Reliability Coordination — Transmission Loading Relief**

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*If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process! If you feel there has been an error or omission, you can contact Richard Schneider, Director of Standards Development at 609-452-8060 or at Richard.Schneider@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.<sup>1</sup>*

**Index to questions, comments and responses:**

1. Do you believe there is a reliability need for this proposed standard change? If not, please explain in the comment area.....	2
2. Do you believe the TLR Subcommittee appropriately divided the elements of TLR business practices vs. TLR reliability requirements? If not, please explain in the comment area.....	6
3. Do you believe there are still elements of TLR business practices that remain in the proposed TLR reliability requirements? If not, please explain in the comment area.....	10
4. Do you believe there are still elements of TLR reliability requirements that remain in the proposed TLR business practices? If not, please explain in the comment area.....	13
5. Do you have any other comments on these proposed changes?.....	16

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<sup>1</sup> The appeals process is in the Reliability Standards Process Manual: <http://www.nerc.com/standards/newstandardsprocess.html>.

**Consideration of Comments on Draft 1 of SAR for General Update to IRO-006 Reliability Coordination — Transmission Loading Relief**

**1. Do you believe there is a reliability need for this proposed standard change? If not, please explain in the comment area.**

**Summary Consideration:**

Committer	Yes	No	Comment
CP9 Reliability Standards Working Group Guy Zito Kathleen Goodman Khaqan Khan Vinod (Bob) Kotecha		X	This proposed standard change was not initiated due to reliability needs. NPCC Participating members believe that the change is in conflict to very important reliability rules. In order to understand the process the standard and the business practice are necessary.
<p>Response: The SAR team agrees that this standard is very important. It is very important for this work to be done jointly so that both the reliability elements and the business elements can be addressed and modified as needed going forward. Accomplishing this separation allows both the Standards organizations to focus on improving the parts of the standard so that the resulting jointly published standard includes the best of both business and reliability requirements. The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p>			
ISO NE Cheryl Mendrala		X	This proposed standard change was not initiated due to reliability needs
<p>Response: On August 2-3, 2004, NERC Version 0 Standards Drafting Team and the NAESB Business Practices Subcommittee (BPS) met to develop a joint recommendation on the division of the NERC Operating Policies into NAESB Business Practice Standards and NERC Reliability Standards. The task force proposed that NERC and NAESB adopt a TLR procedure document with the "same language and format" in their respective Version 0 standards and immediately begin a joint project to develop replacement Version 1 standards distinguishing reliability requirements and business practices by the end of 2005. This was placed on hold while the organizations developed a NERC NAESB Template Procedure for Joint Standards Development and Coordination to ensure proper coordination for standards where there is no easy separation of business and reliability and the industry would benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p>			
Entergy Services, Transmission Ed Davis Rick Riley Jay Zimmerman George Bartlett James Case Bill Aycock Melinda Montgomery Narinder Saini Maurice Casadaban		X	The interplay between the business practices and reliability practices associated with TLR is so intimate that the two should not be divided into two standards practices. It would be best for the industry that one TLR standard be developed by the two organizations.

**Consideration of Comments on Draft 1 of SAR for General Update to IRO-006 Reliability Coordination — Transmission Loading Relief**

<p>Response: The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p>			
<p>AEP Raj Rana</p>		X	<p>We support the NERC/NAESB initiative to split the TLR document in order to extract the business practice aspects. However, there is no reliability need for this proposed standard change. The reliability need in terms of managing power flow relief in a pre-defined time period in order to maintain security of the system did not change. However, this draft does not provide reliability performance specifications, such as X MW or % of relief in Y minutes. The NERC portion of this standard should specify what is needed to maintain the system security in the interconnected environment, while the NAESB portion should specify the road map as to how to do it.</p>
<p>Response: Thank you for the support. The effort in this SAR is devoted to correctly separating the business practices. The drafting team will consider the modifications suggested as a separate phase of the SAR.</p>			
<p>Midwest Reliability Organization Alan Boesch Terry Bilke Robert Coish Dennis Florom Todd Gosnell Wayne Guttormson Jim Maenner Tom Mielnik Darrick Moe Ken Goldsmith Joe Knight The 31 Additional MRO Members</p>		X	<p>The MRO does not believe there is a reliability need for the proposed standard change. We would contend that the change provides confusion to a very important reliability process. In order to understand the process the standard and the business practice are necessary.</p>
<p>Response: The SAR team agrees that this standard is very important. It is very important for this work to be done jointly so that both the reliability elements and the business elements can be addressed and modified as needed going forward. Accomplishing this separation allows both the Standards organizations to focus on improving the parts of the standard so that the resulting jointly published standard includes the best of both business and reliability requirements. The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p>			
<p>IESO, Ontario Dan Rochester</p>		X	<p>We do not feel there is a reliability need for the proposed standard "change". We would contend that the change provides confusion to a very important reliability process. In order to understand the process the standard and the business practice are necessary.</p>
<p>Response: The SAR team agrees that this standard is very important. It is very important for this work to be done jointly so that both the reliability elements and the business elements can be addressed and modified as needed going forward. Accomplishing this separation allows both the Standards organizations to focus on improving the parts of the standard so that the resulting jointly published standard includes the best of both business and reliability requirements. The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes</p>			

**Consideration of Comments on Draft 1 of SAR for General Update to IRO-006 Reliability Coordination — Transmission Loading Relief**

<p>joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p>			
Public Service Commission of South Carolina Phil Riley John E. Howard David A. Wright Randy Mitchell Elizabeth B. Fleming G. O'Neal Hamilton Mignon L. Clyburn C. Robert Moseley	X		
Ohio Valley Electric Corp. Scott R. Cunningham	X		
Joint Interchange Scheduling Working Group Bert Gumm Troy Simpson Marilyn Franz Jim Hansen Kathee Downing Jim Eckelcamp Bob Harshbarger Paul Sorenson Bob Schwermann Bonita Smulski Taryn McPherson Salah Kitali Joel Mickey Andrew Burke	X		
Southern Company – Transmission Jim Busbin Marc Butts Jim Viikinsalo	X		N/A
Operating Reliability Working Group (ORWG) Robert Rhodes Dan Boezio Bob Cochran Mike Crouch Todd Fridley Mike Gammon	X		

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Serhly Kotsan Robert Rhodes			
Southern Company Generation Roman Carter Joel Dison Clifford Shepard Lucius Burris Steve Lowe	X		

**2. Do you believe the TLR Subcommittee appropriately divided the elements of TLR business practices vs. TLR reliability requirements? If not, please explain in the comment area.**

**Summary Consideration:**

Commenter	Yes	No	Comment
IESO, Ontario Dan Rochester		X	The reliability and business practices within the TLR process are integrated to such an extent that the details need to remain contained within a single document for clarity. Concerns regarding the ability to effectively manage the model and the process with the current proposed split need to be addressed. The ability to follow developing market issues must also be retained. Steps 1.4.1, 1.4.1.1, 1.5, 1.5.1, 1.6, 1.7, 2.1.2, 2.2.2, 2.4.2, 2.5.2, 3.2.1.2, 3.3.1.2, 7.1, are reliability related and should remain in the standard. The dynamic schedule part of 1.6.6 was added to the Standard in June of this year with approval of 100% of the ballot body. It should remain as part of this standard.
<p>Response: A procedure includes steps that are performed to achieve expected results. It is only one method to achieve those results. If a Reliability Coordinator has options to address congestion and those options are prioritized in order of economic preference then the RC is making choices that would be appropriate under a business practice. The TLR Task force which included members of both reliability and business agreed in an open process that these items were business practices.</p>			
CP9 Reliability Standards Working Group Guy Zito Kathleen Goodman Khaqan Khan Vinod (Bob) Kotecha		X	<p>- Section 2.6 and 2.7 in the original standard defined step-by-step actions the Operator is to take under TLR Levels 5a and 5b. These actions have been removed and currently reside in the proposed NAESB standard. It is not appropriate for a business practice standard to define actions to be taken by a Reliability Coordinator in real-time operations to resolve a reliability issue.</p> <p>The need for a TLR is in response to a problem with reliability on the system. The Operator must be presented with all the information that is contained in both the proposed NERC and NAESB standards in order to issue that TLR. If the operator does not know what transactions are available in any given category, they do not know what TLR level is needed to resolve the situation. NPCC participating members do not agree with the assertion that the information contained in the NAESB standard does not impact reliability.</p> <p>Some aspects of the original IRO-006 are 'business practices,' and that the completed effort generally meets the original intent of splitting the business practice and reliability components. However, seeing the resulting split, it is clear that these business practices have a direct impact on reliability and they should be maintained within one single standard to prevent confusion and conflicts. Also, since the fundamental practice for defining the priorities and treatment of transactions under each TLR level is consistent with the FERC pro-forma tariff, there is minimal subjectivity involved in the business practices that are included in the original NERC standard.</p> <p>Steps 1.4.1, 1.4.1.1, 1.5, 1.5.1, 1.6, 1.7, 2.1.2, 2.2.2, 2.4.2, 2.5.2, 3.2.1.2, 3.3.1.2, 7.1, are reliability related and should remain in the standard. The dynamic schedule part of 1.6.6 was added to the Standard in June of this year with 100% of the ballot body approval, it should remain as part of this standard.</p>
<p>Response: The Reliability Coordinator makes a selection of what relief is needed and the tool which uses the product type to identify what is available for adjustment then makes the choice and applies the method to provide the relief requested. The TLR Task force which included members of both reliability and business agreed in an open process that these items were business practices.</p> <p>The TLR procedure is established to manage congestion of the grid it is designed to do so with both reliability and business elements considered. The standard will be jointly published and the operation for the industry will be the same or better than it has been using the joint standards development process. The same information or better will be provided as what is provided today.</p>			

**Consideration of Comments on Draft 1 of SAR for General Update to IRO-006 Reliability Coordination — Transmission Loading Relief**

<a href="#">The expectation is that this standard will be jointly published so that all entities required to use the standard have one common procedure to use.</a>			
Operating Reliability Working Group (ORWG) Robert Rhodes Dan Boezio Bob Cochran Mike Crouch Todd Fridley Mike Gammon Serhly Kotsan Robert Rhodes		X	We feel that the division between business practices and reliability standards may not have gone far enough. The reliability standards should focus on establishing the criteria for initiation of different TLR levels and the required timeframes for relief. Business practices should focus on how the curtailments are executed to achieve the relief levels in the timeframes required by the reliability standard.
<a href="#">The effort in this SAR is devoted to correctly separating the business practices. The division between NERC reliability standards and NAESB business practices were agreed to in an open, joint process between NERC and NAESB. The drafting team will consider and discuss this comment during Phase I of the drafting process.</a>			
ISO NE Cheryl Mendrala		X	- Section 2.6 and 2.7 in the original standard defined step-by-step actions the Operator is to take under TLR Levels 5a and 5b. These actions have been removed and currently reside in the proposed NAESB standard. It is not appropriate for a business practice standard to define actions to be taken by a Reliability Coordinator in real-time operations to resolve a reliability issue.  The need for a TLR is in response to a problem with reliability on the system. There is no doubt that the Operator must be presented with all the information that is contained in both the proposed NERC and NAESB standards in order to issue that TLR. If the operator does not know what transactions are available in any given category, they do not know what TLR level is needed to resolve the situation. Therefore, we cannot agree with the assertion that the information contained in the NAESB standard does not impact reliability.  We agree that some aspects of the original IRO-006 are 'business practices,' and agree that the completed effort generally meets the original intent of splitting the business practice and reliability components. However, seeing the resulting split, it is clear that these business practices have a direct impact on reliability and we believe they should be maintained within one single standard to prevent confusion and conflicts. Also, since the fundamental practice for defining the priorities and treatment of transactions under each TLR level is consistent with the FERC pro-forma tariff, there is minimal subjectivity involved in the business practices that are included in the original NERC standard.
<a href="#">The Reliability Coordinator makes a selection of what relief is needed and the tool which uses the product type to identify what is available for adjustment then makes the choice and applies the method to provide the relief requested. The TLR Task force which included members of both reliability and business agreed that these items were business practices.</a>			
<a href="#">The TLR procedure is established to manage congestion of the grid it is designed to do so with both reliability and business elements considered. The standard will be jointly published and the operation for the industry will be the same or better than it has been using the joint standards development process. The same information or better will be provided as what is provided today.</a>			
<a href="#">The expectation is that this standard will be jointly published so that all entities required to use the standard have one common procedure to use.</a>			
Entergy Services, Transmission Ed Davis Rick Riley		X	A complete response to this question is inappropriate at this time. It appears that IRO-006 will be divided into 3 major documents: NERC TLR reliability standards, NAESB business practices, and the IDC Reference Documentation. The answer to this question will require a detailed comparison of all three documents with respect to the existing IRO-006. We do not have the NAESB document in front of us

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Jay Zimmerman George Bartlett James Case Bill Aycock Melinda Montgomery Narinder Saini Maurice Casadaban			in order to make that detailed comparison. In addition, it does not appear that a detailed comparison of the three documents has been requested since the SAR request states in the last paragraph that the development effort will begin by assessing for completeness and accuracy the revised Attachment 1.
<p>This has been corrected by adopting the NERC NAESB Template Procedure for Joint Standards Development and Coordination. The joint standards development process will require publication of all required documents for industry to comment upon. The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p>			
AEP Raj Rana		X	The two documents are overlapping. Same statements in both documents.
<p>Response: No response required.</p>			
Midwest Reliability Organization Alan Boesch Terry Bilke Robert Coish Dennis Florom Todd Gosnell Wayne Guttormson Jim Maenner Tom Mielnik Darrick Moe Ken Goldsmith Joe Knight The 31 Additional MRO Members		X	Steps 1.4.1, 1.4.1.1, 1.5, 1.5.1, 1.6, 1.7, 2.1.2, 2.2.2, 2.4.2, 2.5.2, 3.2.1.2, 3.3.1.2, 7.1, are reliability related and should remain in the standard. The dynamic schedule part of 1.6.6 was added to the Standard in June of this year with 100% of the ballot body approval, it should remain as part of this standard.
<p>Response: A procedure includes steps that are performed to achieve expected results. It is only one method to achieve those results. If a Reliability Coordinator has options to address congestion and those options are prioritized in order of economic preference then the RC is making choices that would be appropriate under a business practice. The TLR Task force which included members of both reliability and business practice sides agreed that these items were business practices in an open process. The Reliability Coordinator makes a selection of what relief is needed and the tool which uses the product type to identify what is available for adjustment then makes the choice and applies the method to provide the relief requested.</p>			
Southern Company – Transmission Jim Busbin Marc Butts Jim Viikinsalo	X		N/A
Joint Interchange Scheduling	X		

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Working Group Bert Gumm Troy Simpson Marilyn Franz Jim Hansen Kathee Downing Jim Eckelcamp Bob Harshbarger Paul Sorenson Bob Schwermann Bonita Smulski Taryn McPherson Salah Kitali Joel Mickey Andrew Burke			
Public Service Commission of South Carolina Phil Riley John E. Howard David A. Wright Randy Mitchell Elizabeth B. Fleming G. O'Neal Hamilton Mignon L. Clyburn C. Robert Moseley	X		
Ohio Valley Electric Corp. Scott R. Cunningham	X		
Southern Company Generation Roman Carter Joel Dison Clifford Shepard Lucius Burris Steve Lowe	X		

**3. Do you believe there are still elements of TLR business practices that remain in the proposed TLR reliability requirements? If not, please explain in the comment area.**

Commenter	Yes	No	Comment
Ohio Valley Electric Corp. Scott R. Cunningham	X		At times, RTO ramp limitations are invoked when TLR curtailments occur. This issue is not covered in the standard, but seems to be related to a business practice, rather than a reliability issue. Perhaps the ramp limitation should be waived or adjusted if the limitation is caused by the curtailments that occur with the TLR.
Response: The effort in this SAR is devoted to correctly separating the business practices. The drafting team will consider the modifications suggested in phase IV of the SAR.			
Operating Reliability Working Group (ORWG) Robert Rhodes Dan Boezio Bob Cochran Mike Crouch Todd Fridley Mike Gammon Serhly Kotsan Robert Rhodes	X		Everything in the proposed Attachment 1 - IRO-006-0 from Section 3 to the end of Attachment 1, including Appendices A and B, should be removed from the reliability standard and incorporated into the TLR Business Practices document. This material gets into the internal workings of the tool itself rather than dealing with the overall guiding principle of providing, and maintaining, relief within a specific timeframe.
Response: The effort in this SAR is devoted to correctly separating the business practices. The drafting team will consider the modifications suggested in phase IV of the SAR. The Attachment 1 steps of the procedure have been identified by the TLR Taskforce as having both Reliability and business practices within them. As the resulting standard will be published jointly all items are expected to be retained and the distinction of the items as reliability or as business practices will be identified.			
Entergy Services, Transmission Ed Davis Rick Riley Jay Zimmerman George Bartlett James Case Bill Aycock Melinda Montgomery Narinder Saini Maurice Casadaban	X		The NERC TLR reliability standard part of this documentation appears to be all reliability related. However, the IDC Reference Document appears to have significant business practice elements contained in it.
Response: The effort in this SAR is devoted to correctly separating the business practices. The Attachment 1 steps of the procedure have been identified by the TLR Taskforce as having both Reliability and business practices within them. As the resulting standard will be published jointly all items are expected to be retained and the distinction of the items as reliability or as business practices will be identified. The IDC reference document is not part of the standard. However, you may wish to contact the IDC Working Group to discuss how your suggestions could be included in future changes to the IDC Reference Document.			
AEP Raj Rana	X		We believe that items like firm/non-firm transactions types, TLR levels etc. should be taken out of the reliability portion of this standard. These items should be included in the NAESB portion. The reliability portion should only address the needed relief amount on constrained facilities and the time under which the relief should be provided in order to maintain security of the interconnected network.
Response: The Attachment 1 steps of the procedure have been identified by the TLR Taskforce as having both Reliability and business practices within them. As			

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the resulting standard will be published jointly all items are expected to be retained and the distinction of the items as reliability or as business practices will be identified.			
ISO NE Cheryl Mendrala		X	See response to question 2.
Response: See answer to questions to comment.			
CP9 Reliability Standards Working Group Guy Zito Kathleen Goodman Khaqan Khan Vinod (Bob) Kotecha		X	See response to question 2.
Response: See answer to questions to comment.			
Southern Company – Transmission Jim Busbin Marc Butts Jim Viikinsalo		X	N/A
Joint Interchange Scheduling Working Group Bert Gumm Troy Simpson Marilyn Franz Jim Hansen Kathee Downing Jim Eckelcamp Bob Harshbarger Paul Sorenson Bob Schwermann Bonita Smulski Taryn McPherson Salah Kitali Joel Mickey Andrew Burke		X	
Midwest Reliability Organization Alan Boesch Terry Bilke Robert Coish Dennis Florom Todd Gosnell Wayne Guttormson Jim Maenner Tom Mielnik Darrick Moe		X	

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Ken Goldsmith Joe Knight The 31 Additional MRO Members			
Public Service Commission of South Carolina Phil Riley John E. Howard David A. Wright Randy Mitchell Elizabeth B. Fleming G. O'Neal Hamilton Mignon L. Clyburn C. Robert Moseley		X	
IESO, Ontario Dan Rochester		X	
Southern Company Generation Roman Carter Joel Dison Clifford Shepard Lucius Burris Steve Lowe		X	

**4. Do you believe there are still elements of TLR reliability requirements that remain in the proposed TLR business practices? If not, please explain in the comment area.**

Commenter	Yes	No	Comment
AEP Raj Rana			No comments. The TLR business practices document is not available.
Operating Reliability Working Group (ORWG) Robert Rhodes Dan Boezio Bob Cochran Mike Crouch Todd Fridley Mike Gammon Serhly Kotsan Robert Rhodes	X		Sections 3.2.1, 3.2.1.1 and 3.2.1.2 should be moved to the reliability standard since they deal more with how and why a Level 2 TLR is initiated than with the internal workings of the IDC.
<a href="#">Response: The TLR Task force which included members of both reliability and business agreed that these items were business practices. This could be modified through the joint NERC / NAESB development process, which would determine whether a new SAR is needed.</a>			
ISO NE Cheryl Mendrala	X		See response to question 2.
<a href="#">Response: See answer to questions to comment.</a>			
CP9 Reliability Standards Working Group Guy Zito Kathleen Goodman Khaqan Khan Vinod (Bob) Kotecha	X		See response to question 2.
<a href="#">Response: See answer to questions to comment.</a>			
Midwest Reliability Organization Alan Boesch Terry Bilke Robert Coish Dennis Florom Todd Gosnell Wayne Guttormson Jim Maenner Tom Mielnik Darrick Moe Ken Goldsmith Joe Knight The 31 Additional MRO Members	X		See comments in question 2.

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<a href="#">Response: See answer to questions to comment.</a>			
IESO, Ontario Dan Rochester		X	See comments in question 2.
<a href="#">Response: See answer to questions to comment.</a>			
Entergy Services, Transmission Ed Davis Rick Riley Jay Zimmerman George Bartlett James Case Bill Aycock Melinda Montgomery Narinder Saini Maurice Casadaban		X	We can not answer this question since we do not have the NAESB proposal TLR business practices in this package.
<a href="#">Response: Please see <a href="http://www.naesb.org/pdf2/r06002_revised.doc">http://www.naesb.org/pdf2/r06002_revised.doc</a> on the NAESB website.</a>			
Southern Company – Transmission Jim Busbin Marc Butts Jim Viikinsalo		X	N/A
Joint Interchange Scheduling Working Group Bert Gumm Troy Simpson Marilyn Franz Jim Hansen Kathee Downing Jim Eckelcamp Bob Harshbarger Paul Sorenson Bob Schwermann Bonita Smulski Taryn McPherson Salah Kitali Joel Mickey Andrew Burke		X	
Public Service Commission of South Carolina Phil Riley John E. Howard David A. Wright Randy Mitchell		X	

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Elizabeth B. Fleming G. O'Neal Hamilton Mignon L. Clyburn C. Robert Moseley			
Ohio Valley Electric Corp. Scott R. Cunningham		X	
Southern Company Generation Roman Carter Joel Dison Clifford Shepard Lucius Burris Steve Lowe		X	

5. Do you have any other comments on these proposed changes?

Commenter	Yes	No	Comment
Southern Company – Transmission Jim Busbin Marc Butts Jim Viikinsalo	X		My only concern with the splitting of reliability requirements and business practices is how they will be managed and/or coordinated in the future. I'm not sure what value is added to the reliability of the grid by now having our grid operators manage their respective systems with a NERC manual in one hand and a NAESB manual in the other. Right now the two documents are in synch with one another; however, as we move forward in time, what will be the process for conflict resolution between the two?
Response: The effort in this SAR is devoted to correctly separating the business practices. The business practices will be filed by the NAESB organization and the reliability items will be filed by the NERC organization. The two will be jointly published so that all entities responsible for complying with the procedure have both parts in one document. The Attachment 1 steps of the procedure have been identified by the TLR Taskforce as having both Reliability and business practices within them. As the resulting standard will be published jointly all items are expected to be retained and the distinction of the items as reliability or as business practices will be identified.			
Operating Reliability Working Group (ORWG) Robert Rhodes Dan Boezio Bob Cochran Mike Crouch Todd Fridley Mike Gammon Serhly Kotsan	X		Section 1.5.1 of Attachment 1 refers to treatment of Interchange Transactions not in the IDC in accordance with NAESB business practices, but we could not find any reference to this treatment in the TLR business practices.
Response: This comment appears to reflect a misinterpretation of the requirement. The requirement in section 1.51 (now 1.8.1) was intended to require reliability coordinators to insure all transactions, even those not in the IDC, to abide by the NERC and NAESB TLR standard.			
ISO NE Cheryl Mendrala	X		<p>Recommend restoring the reference to RCIS tool in 1.4. That reference was eliminated when the old 1.4.1 was removed.</p> <ul style="list-style-type: none"> <li>- The old 1.5.1 was removed. There's a general statement added to 1.2 that says "In addition, a Reliability Coordinator may implement other NERC-approved procedures to request relief to mitigate any other transmission constraints as necessary to preserve the reliability of the system." But, that phrase does not seem to capture the same intent as the previous 1.5.1 wording.</li> <li>- Section 1.5.3 the numbering on this section is very confusing. Suggest the following: <ul style="list-style-type: none"> <li>1.5.3.1. Causes of questionable IDC results may include: (1) Missing Interchange transactions that are known to contribute to the Constraint, (2) Significant change in transmission system topology, or (3) TDF matrix error.</li> <li>1.5.3.2 Impacts of questionable IDC results may include: (1) relief that would have no effect on, or aggravate the constraint or (2) that would initiate a constraint elsewhere.</li> <li>1.5.3.3. If other Reliability Coordinators are involved in the TLR event, all impacted Reliability Coordinators shall be in agreement before any adjustments to the relief request list are made.</li> </ul> </li> <li>- Title of Section 2 should be changed to be only "Transmission Loading Relief (TLR) Levels."</li> <li>- Section 3 is missing section 3.1.</li> </ul>

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		<ul style="list-style-type: none"> <li>- Suggest that Section 3.2 include a reference to the fact that transactions submitted after the XX:25 deadline will put on HOLD.</li> <li>- Are Section 3.3.3 and Section 3.4.3 referring back to the deadline defined in 3.2? If so, that section should be referenced.</li> <li>- Text in 3.3.1.1 and 3.3.2 are referring to the same process for reallocation and should use the same terminology. Suggest 3.3.1.1 text be changed to “At XX:25 a reallocation will be performed for the following hour to maintain the target flow identified for the current hour”.</li> <li>- Text in 3.4.1.1 and 3.4.2 are referring to the same process for reallocation and should use the same terminology. Suggest 3.4.1.1 text be changed to “At XX:25 a reallocation will be performed for the following hour to maintain the target flow identified for the current hour”.</li> <li>- The section notation of Appendix B should be modified. The Section numbering shown in the index is not how the headings are titled in the Sections. Also, Section F and Section G should not be 5.1 and 5.2; they should be at the highest index level.</li> </ul> <p>General Comment: There have been changes to the congestion management process over the last few years that involve the use of Market information by the IDC. Any new standards addressing the TLR process and the IDC, whether in NERC or NAESB, should consider addressing the current information available to the IDC and include some mention of that information in that standard development.</p> <p>General Comment: One other practical concern that has not been addressed is the ownership, impact and funding of the IDC tool that automates the ‘business practices’ of implementing a TLR for the Operator. The split of the original NERC IRO-006 should not be adopted until this issue is addressed and resolved.</p>
<p>Going forward the changes will be managed from the joint standards development process and there is no anticipated change in the funding or contract agreements to modify the software. The team will review the changes to the standard since version 0 split was determined and make incremental changes as appropriate.</p>		
<p>The reference was moved to NAESB BP 1.4 and changed to refer to generic tool instead of RCIS specifically. The standard will determine the best way to format and number the steps in the procedure jointly.</p>		
<p>Entergy Services, Transmission Ed Davis Rick Riley Jay Zimmerman George Bartlett James Case Bill Aycock Melinda Montgomery Narinder Saini Maurice Casadaban</p>	<p>X</p>	<p>The SAR contains the statement that the urgent action revision to Attachment 1 addressing dynamic schedules will be incorporated into the NAESB business practices. We suggest starting with IRO-006-1, rather than with IRO-006-0.</p> <p>Please delete all references to IRO-006-0 (and IRO-006-1) in headers, footers, titles, etc. This new document will result in a new version of IRO--006. This current draft is not version 0 or 1.</p> <p>Please delete all references to adoption by the NERC Board of Trustees, Effective Date, and all dates because the document we are viewing has not been adopted by the BOT and does not have an Effective Date.</p> <p>Please provide a redline version showing the draft changes to IRO-006-1. This redline would make review and comment much easier for commenters.</p> <p>We appreciate the development of the matrix and would probably find it useful for keeping track of the disposition of each requirement in the original IRO-006. However, in its current form we do not understand which columns relate to which documents and the row designations are not clearly understood.</p>
<p>Response: We agree and feel all changes have been made but will review for any additional changes required.</p>		
<p>Joint Interchange Scheduling Working Group</p>	<p>X</p>	<p>1. We request that the scope of this SAR be expanded to include resolving the reloading of curtailed transactions above their reliability limit by an entity other than the initiating entity or above any pre-existing reliability or market</p>

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<p>Bert Gumm Troy Simpson Marilyn Franz Jim Hansen Kathee Downing Jim Eckelcamp Bob Harshbarger Paul Sorenson Bob Schwermann Bonita Smulski Taryn McPherson Salah Kitali Joel Mickey Andrew Burke</p>			<p>profiles. 2. We also request that the scope of the SAR be expanded to include standards for when curtailments may be denied and when curtailments may be issued. 1 - There have been several instances where a curtailment has been issued and then been automatically or manually reloaded above the reliability limit. The automatic reload problem created by the IDC has been resolved by CO-148, automatic reload by other back office applications has not been corrected, nor have manual adjustments. There are several options available for correcting this problem. This should be addressed by specifying requirements and performance measures in the TLR standard and may also be addressed through NAESB business practices and modifications to the e-Tag specification. Also, any pre-existing curtailment levels are lost. JISWG recommends that the entity who has issued the curtailment be the only entity able to authorize the reload. When the reload occurs the energy profile should be limited to the next lowest reliability limit or market adjustment profile. 2- Under normal circumstances, a curtailment (issued for reliability reasons) should not be denied. However, there are some limited circumstances where a curtailment should be denied. For example, if a curtailment comes in and the generator cannot meet the ramp requirements, then the curtailment could be denied and would be reissued for the next scheduling interval. This ensures that the tags reflect actual conditions. In other cases, curtailments are sometimes issued when PSE's cannot make their market level adjustments prior to cutoff. The TLR standard should address those specific reasons for denying a curtailment. Reliability is compromised when curtailments are denied for non-reliability reasons. Reliability may also be compromised when curtailments are issued for non-reliability reasons. If scope of the SAR is adjusted, JISWG volunteers to assist the drafting team with providing specific language for the TLR standard addressing these issues.</p>
<p>Response: The drafting team will consider the modifications suggested in phase IV of the SAR and coordinated with NAESB, where appropriate. JISWG may be asked to provide assistance at that time.</p>			
<p>AEP Raj Rana</p>	<p>X</p>		<p>Use of proxy flowgates by the reliability coordinators must be prohibited. This practice must be explicitly addressed in this standard because, the use of proxy flowgates not only will result in mis-allocation of corrective actions, but at worst could even result in actions being taken that actually increase flows on the limiting element, instead of decreasing them.</p>
<p>Response:  A NERC ORS task force is conducting an evaluation of this topic. The drafting team suggests waiting for the results of the ORS review before adding consideration of this topic to the SAR.</p>			
<p>Midwest Reliability Organization Alan Boesch Terry Bilke Robert Coish Dennis Florom Todd Gosnell Wayne Guttormson Jim Maenner Tom Mielnik Darrick Moe Ken Goldsmith</p>	<p>X</p>		<p>It was very difficult to review the changes to the standard without a redline copy. In order to perform our review we made a redline of the original standard. The MRO does not support this modification. The proposed change provides confusion to a very important reliability process. Also the proposed standard references a NAESB standard which is inconsistent with the NERC Standards Process Manual which says "All mandatory requirements of a reliability standard shall be within an element of the standard. Supporting documents to aid in the implementation of a standard may be referenced by the standard but are not part of the standard itself." There are mandatory parts of the proposed standard in the NAESB business practice and are necessary for the successful implementation of this reliability standard. With the two documents being modified by separate entities there is a good chance that the documents will not be coordinated and kept in synchronization when changes are made.</p>

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Joe Knight The 31 Additional MRO Members			
<p>Response: This has been corrected by adopting the NERC NAESB Template Procedure for Joint Standards Development and Coordination. The joint standards development process will require publication of all required documents for industry to comment upon. There will be one jointly published document which covers both the standards and the joint standards development process will address the synchronization issues mentioned.</p> <p>The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p>			
Ohio Valley Electric Corp. Scott R. Cunningham	X		The use of proxy flowgates is not mentioned at all in the proposed standard. The use of proxy flowgates should not be allowed, except in very unusual circumstances. If use of a proxy flowgate is necessary, such use should be justified and approval from all affected parties should be obtained.
<p>Response:</p> <p>A NERC ORS task force is conducting an evaluation of this topic. The drafting team suggests waiting for the results of the ORS review before adding consideration of this topic to the SAR.</p>			
IESO, Ontario Dan Rochester	X		<p>The IESO does not fully support the modifications proposed in this SAR. The proposed change provides confusion to a very important reliability process. Also the proposed standard references a NAESB standard which is inconsistent with the NERC Standards Process Manual which says "All mandatory requirements of a reliability standard shall be within an element of the standard. Supporting documents to aid in the implementation of a standard may be referenced by the standard but are not part of the standard itself." There are mandatory parts of the proposed standard in the NAESB business practice that are necessary for the successful implementation of this reliability standard. With the two documents being modified by separate entities there is a good chance that the documents will not be coordinated and kept in synchronization when changes are made. As acknowledged by the TLR Subcommittee that worked to create this proposed split, the business practices and reliability aspects of TLR are very intertwined. In effect, the information in both the proposed NERC and NAESB standard must be simultaneously available to the Operators in the Control Room, in order for them to operate the system reliably. While the effort to create this initial split in the TLR standards has been completed, consideration should be given as to how this split will be maintained, if going forward, before it is adopted by the industry. Operator training issues, as well as the ownership and funding of the IDC tool should be considered in this evaluation before such a significant step is taken on a standard that is fundamental to the reliability of the Eastern Interconnection. This is an important process that requires a complete understanding of the impact of separating the business practice from the reliability concepts. It is not clear that the current proposed document split will retain the integrity of the TLR process. The potential negative impact of degrading the RC's ability to manage loop flow dictates that any change in documentation and responsibility must proceed carefully.</p>
<p>Response: This has been corrected by adopting the NERC NAESB Template Procedure for Joint Standards Development and Coordination. The joint standards development process will require publication of all required documents for industry to comment upon. There will be one jointly published document which covers both the standards and the joint standards development process will address the synchronization issues</p>			

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mentioned. The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.

The IDC is the tool that specifies how the Business Practice and the Reliability adjustments are made. The RC specifies how much relief is required and the tool combines the logic based on business practice rules to identify how much relief in each transaction should be distributed. NERC will work jointly to provide training when needed by using the committees and then by providing the necessary materials so the industry can train their staff on

Southern Company Generation Roman Carter Joel Dison Clifford Shepard Lucius Burris Steve Lowe	X	As NAESB and NERC standards are approved and implemented which require close coordination between the two organizations, the need for a common "Operations Manual" may become necessary for System Operators.
Response: The effort in this SAR is devoted to correctly separating the business practices. The scope will not be to modify the recently approved TLR standard. The business practices will be filed by the NAESB organization and the reliability items will be filed by the NERC organization. The two will be jointly published so that all entities responsible for complying with the procedure have both parts in one document. The Attachment 1 steps of the procedure have been identified by the TLR Taskforce as having both Reliability and business practices within them. As the resulting standard will be published jointly all items are expected to be retained and the distinction of the items as reliability or as business practices will be identified.		
CP9 Reliability Standards Working Group Guy Zito Kathleen Goodman Khaqan Khan Vinod (Bob) Kotecha	X	This is an important process that requires a complete understanding of the impact of separating the business practice from the reliability concepts. It is not clear that the current proposed document split will retain the integrity of the TLR process. The potential negative impact of degrading the RC's ability to manage loop flow dictates that any change in documentation and responsibility must proceed carefully. NPCC participating Members believe the proposed change provides confusion to a very important reliability process. There are mandatory parts of the proposed standard in the NAESB business practice that are necessary for the successful implementation of this reliability standard. With the two documents being modified by separate entities there is a good chance that the documents will not be coordinated and kept in synchronization when changes are made. Recommend restoring the reference to RCIS tool in 1.4. That reference was eliminated when the old 1.4.1 was removed. - The old 1.5.1 was removed. There's a general statement added to 1.2 that says "In addition, a Reliability Coordinator may implement other NERC-approved procedures to request relief to mitigate any other transmission constraints as necessary to preserve the reliability of the system." But, that phrase does not seem to capture the same intent as the previous 1.5.1 wording. - Section 1.5.3 the numbering on this section is very confusing. Suggest the following: 1.5.3.1. Causes of questionable IDC results may include: (1) Missing Interchange transactions that are known to contribute to the Constraint, (2) Significant change in transmission system topology, or (3) TDF matrix error. 1.5.3.2 Impacts of questionable IDC results may include: (1) relief that would have no effect on, or aggravate the constraint or (2) that would initiate a constraint elsewhere. 1.5.3.3. If other Reliability Coordinators are involved in the TLR event, all impacted Reliability Coordinators shall

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			<p>be in agreement before any adjustments to the relief request list are made.</p> <ul style="list-style-type: none"> <li>- Title of Section 2 should be changed to be only “Transmission Loading Relief (TLR) Levels.”</li> <li>- Section 3 is missing section 3.1.</li> <li>- Suggest that Section 3.2 include a reference to the fact that transactions submitted after the XX:25 deadline will put on HOLD.</li> <li>- Are Section 3.3.3 and Section 3.4.3 referring back to the deadline defined in 3.2? If so, that section should be referenced.</li> <li>- Text in 3.3.1.1 and 3.3.2 are referring to the same process for reallocation and should use the same terminology. Suggest 3.3.1.1 text be changed to “At XX:25 a reallocation will be performed for the following hour to maintain the target flow identified for the current hour”.</li> <li>- Text in 3.4.1.1 and 3.4.2 are referring to the same process for reallocation and should use the same terminology. Suggest 3.4.1.1 text be changed to “At XX:25 a reallocation will be performed for the following hour to maintain the target flow identified for the current hour”.</li> <li>- The section notation of Appendix B should be modified. The Section numbering shown in the index is not how the headings are titled in the Sections. Also, Section F and Section G should not be 5.1 and 5.2; they should be at the highest index level.</li> </ul> <p>General Comment: There have been changes to the congestion management process over the last few years that involve the use of Market information by the IDC. Any new standards addressing the TLR process and the IDC, whether in NERC or NAESB, should consider addressing the current information available to the IDC and include some mention of that information in that standard development. In addition, Operator training issues, as well as the ownership and funding of the IDC tool should be considered in this evaluation before such a significant step is taken on a standard that is fundamental to the reliability of the Eastern Interconnection.</p> <p>General Comment: One other practical concern that has not been addressed is the ownership, impact and funding of the IDC tool that automates the ‘business practices’ of implementing a TLR for the Operator. The split of the original NERC IRO-006 should not be adopted until this issue is addressed and resolved.</p>
<p>Response: The NERC NAESB Template Procedure for Joint Standards Development and Coordination was developed to ensure proper coordination for standards where there is no easy separation of business and reliability. The industry will benefit from using a joint effort to meet both reliability and business concerns. The approach includes joint collaboration and joint publication of the resulting standard if required. The joint collaboration ensures during development issues can be addressed jointly so that the resulting business practice and reliability standards work together. Using this process the result is that the jointly published standard includes the business practices and the reliability standards without need for separate documents.</p> <p>Going forward the changes will be managed from the joint standards development process and there is no anticipated change in the funding or contract agreements to modify the software. The team will review the changes to the standard since version 0 split was determined and make incremental changes as appropriate.</p> <p>The reference was moved to NAESB BP 1.4 and changed to refer to generic tool instead of RCIS specifically. The standard will determine the best way to format and number the steps in the procedure jointly.</p>			
<p>Public Service Commission of South Carolina Phil Riley John E. Howard David A. Wright</p>		<p>X</p>	

**Consideration of Comments on Draft 1 of SAR for General Update to IRO-006 Reliability Coordination — Transmission Loading Relief**

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Randy Mitchell Elizabeth B. Fleming G. O'Neal Hamilton Mignon L. Clyburn C. Robert Moseley			
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### MISO/PJM/SPP Proposal

#### Purpose

Modify the market flow calculation as specified in MISO, PJM and SPP regional differences E.1 and E.2 in Standard IRO-006 to address a reliability issue when MISO, PJM and SPP are unable to meet their relief obligations during TLR. MISO and PJM currently calculate market flow impacts on coordinated flowgates using no threshold. Both forward impacts down to 0% and reverse impacts down to 0% are reported to the IDC and are used to determine relief assignments during TLR. On some flowgates, MISO and PJM either have no generation they can redispatch within their respective markets or it is cost prohibitive to redispatch large amounts of generation to achieve small amounts of relief. When this occurs, it results in MISO and PJM failing to meet their relief obligations, it extends the time period of the TLR and it may ultimately elevate the TLR level as the RC must make additional calls for relief. This proposed revision to the regional differences in Standard IRO-006 addresses the reliability issue by changing the market flow threshold from 0% to 3%. The proposed threshold change only affects the MISO, PJM and SPP regional differences that appear in Standard IRO-006. There is a separate equity issue that MISO and PJM are currently given relief assignments based on their market flow impacts down to 0% while PTP tagged transactions, network service tagged transactions and native and network load (NNL) are given relief assignments using a 5% threshold. With this proposed change to the market flow threshold from 0% to 3%; MISO, PJM and SPP are not seeking to address the equity issue at this time.

#### Industry Need

MISO and PJM raised the market flow threshold issue at the May 3-4, 2006, NERC ORS meeting. A white paper describing the market flow issue was sent to the ORS exploder prior to the meeting and a PowerPoint presentation was given during the meeting. MISO's and PJM's position at the meeting was that both the reliability issue and the equity issue needed to be addressed by raising the market flow threshold from 0% to 5%. MISO and PJM did not ask for an ORS vote to support changing the market flow threshold at the May 3-4, 2006, meeting. Instead, MISO and PJM stated that a task force had been formed under the CMPWG to investigate the impacts of changing the market flow threshold and to investigate how this would affect relief assignments during TLR. The ORS members were asked to participate in the Task Force.

The CMPWG/ORS TF had three face-to-face meeting and two phone calls during the May-August 2006 time period. It reviewed actual examples when MISO failed to meet its relief obligation on flowgates. It also reviewed the contributing factors to TLR events. It did a detailed analysis of 20 flowgates that shows how the market flows reported to the IDC change as the market flow threshold is increased from 0% to 5% in 1% increments, how the market flow impacts are affected by using a net of the forward and reverse impacts, and how much generation redispatch is required (on a gen-to-load basis and on a gen-to-gen basis) in order to accomplish 10 MW of relief on a flowgate.

The CMPWG/ORS TF approved a recommendation at its August 23, 2006, meeting to change the market flow threshold from 0% to 3% on a temporary basis (for a period of 12 months). During the temporary period, all TLR events in both market and non-market areas that failed to provide expected relief will be investigated. At the end of 12 months, a decision will be made whether to retain the 3% or change the threshold to some other percentage. This recommendation was presented as a mechanism to address the reliability concerns raised by MISO and PJM not meeting their relief obligation but does not address the equity concerns. The CMPWG/ORS TF felt they were not the proper group to address equity issues.

While a majority of the CMPWG/ORS TF members supported the recommendation on a one company/one vote basis (5 support, 3 oppose and 1 abstain), there was not unanimous support by the CMPWG members. Unanimous approval is required by voting members of the CMPWG and CMP Council before they can support an issue. The CMPWG and CMP Council do not support the recommendation. However, the recommendation is supported by MISO, PJM, SPP and TVA.

A CMPWG/ORS TF report was given at the September 19-20, 2006, ORS meeting. MISO and PJM said they supported the recommendation with the understanding the change to a 3% threshold on an interim basis only addresses the reliability issue. MISO and PJM retain the right to seek further changes with NERC, NAESB and FERC for equity reasons. Because there has been some debate on what are the reliability impacts versus the economic impacts of changing the market flow threshold, MISO and PJM produced a matrix of operating issues and what are the reliability impacts versus the economic impacts. MISO and PJM reviewed the matrix with the ORS. Please note that of the 10 operating issues in the matrix, the last three involve netting impacts in the IDC. This is a separate issue from the market flow threshold issue that is being investigated by the CMPWG/ORS TF.

The ORS approved a motion at their September 19-20, 2006, meeting to change the market flow threshold to 3% for an interim period of 12 months. During the 12 months, the CMPWG/ORS TF will investigate TLR events where either MISO or PJM failed to meet its relief obligation and will periodically report their findings to the ORS during the year. At the end of year, the ORS will decide whether the 3% threshold should be retained or it be changed to another threshold. Based on the approvals received from both the CMPWG/ORS TF and the ORS, and based on the support they have received from MISO, PJM, SPP and TVA; MISO and PJM indicated they would request a SAR to field test the market flow threshold change from 0% to 3% for a 12 month period. At the end of the field test, a decision will be made whether the regional differences in the TLR standard IRO-006 should be submitted for ballot using a 3% market flow threshold or some other threshold.

### **Brief Description**

MISO and PJM currently report market flows to the IDC using a 0% threshold. Once the SPP market starts, they will also report their market flows down to 0%. The IDC uses these market flows to make relief assignments during TLR. On some flowgates, MISO

and PJM have small market flow impacts they are directed to remove during TLR but either have no generation available within the market to redispatch or it is cost prohibitive to redispatch large amounts of generation for small amounts of relief. This request for a field test proposes to change the market flow calculation in the MISO, PJM and SPP regional differences in Standard IRO-006 from 0% to 3%. MISO has a contractual obligation under the MAPP SOA to continue using a 0% market flow threshold for assignment of TLR relief until the MAPP SOA is modified. In order to meet its contractual obligation, MISO asks for the flexibility to continue to receive relief assignments during TLR based on market flows down to 0% for all RCFs between MISO and MAPP until the MAPP SOA is modified (now expected to be spring 2008). All other MISO coordinated flowgates will receive relief assignments during TLR based on a 3% threshold as soon as the field test has been approved and software modifications have been implemented. PJM and SPP have no similar contractual obligations.

The CMPWG and the ORS indicated a preference that the market flows down to 0% still be reported to the IDC for information purposes even though the relief assignment will be based on a 3% threshold. It will require two sets of market flows be reported to the IDC. One set will be used in the assignment of relief and the other set will be available for information purposes. It will require software changes at the three RTOs and to the IDC to accommodate this request. If there was not a desire to see market flows down to 0% for information purposes, there would be no need for changes to the IDC. There is a second software change that will be made by the RTOs. The flowgate allocations will continue to consider impacts down to 0%. These allocations between the entities that have signed seams agreements are used to set the MISO and PJM firm flow limits reported to the IDC are used by MISO and PJM in the market-to-market settlement process and are used by all of the reciprocal entities to sell firm transmission service. In order to have comparable market flows and firm flow limits reported to the IDC, the three RTOs will remove all impacts below 3% that were used to develop the firm flow limit. It is anticipated the RTO software changes and the IDC software changes can be ready by spring 2007 for implementation before summer 2007.

## Additional potential TLR Procedure changes for Phase IV

### Comment:

We support the NERC/NAESB initiative to split the TLR document in order to extract the business practice aspects. However, there is no reliability need for this proposed standard change. The reliability need in terms of managing power flow relief in a pre-defined time period in order to maintain security of the system did not change. However, this draft does not provide reliability performance specifications, such as X MW or % of relief in Y minutes. The NERC portion of this standard should specify what is needed to maintain the system security in the interconnected environment, while the NAESB portion should specify the road map as to how to do it.

### DT Answer

The drafting team will have to develop compliance measures so this is an appropriate addition.

### Comment

Request to evaluate the extent of NERC / NAESB split

### DT Answer

DT will review and discuss during phase I of the drafting process.

### Comment

Considerations of ramp limits during TLR

### DT Answer

DT will review and discuss during phase IV of the drafting process.

### Comment

We request that the scope of this SAR be expanded to include resolving the reloading of curtailed transactions above their reliability limit by an entity other than the initiating entity or above any pre-existing reliability or market profiles. We also request that the scope of the SAR be expanded to include standards for when curtailments may be denied and when curtailments may be issued.

1 - There have been several instances where a curtailment has been issued and then been automatically or manually reloaded above the reliability limit. The automatic reload problem created by the IDC has been resolved by CO-148, automatic reload by other back office applications has not been corrected, nor have manual adjustments. There are several options available for correcting this problem. This should be addressed by specifying requirements and performance measures in the TLR standard and may also be addressed through NAESB business practices and modifications to the e-Tag specification. Also, any pre-existing curtailment levels are lost. JISWG recommends that the entity who has issued the curtailment be the only entity able to authorize the reload. When the reload occurs the energy profile should be limited to the next lowest reliability limit or market adjustment profile.

2- Under normal circumstances, a curtailment (issued for reliability reasons) should not be denied. However, there are some limited circumstances where a curtailment should be denied. For example, if a curtailment comes in and the generator cannot meet the ramp requirements, then the curtailment could be denied and would be reissued for the next scheduling interval. This ensures that the tags reflect actual conditions. In other cases, curtailments are sometimes issued when PSE's cannot make their market level adjustments prior to cutoff. The TLR standard should address those specific reasons for denying a curtailment. Reliability is compromised when curtailments are denied for non-reliability reasons. Reliability may also be compromised when curtailments are issued for non-reliability reasons. If scope of

the SAR is adjusted, JISWG volunteers to assist the drafting team with providing specific language for the TLR standard addressing these issues.

**DT Answer**

The drafting team will consider the modifications suggested in phase IV of the SAR and coordinated with NAESB, where appropriate. JISWG may be asked to provide assistance at that time.

**FERC NOPR Paragraph 567**

Additionally, the drafting team will consider direction from paragraph 567 of the FERC NOPR indicating the inclusion of modifications to 1) include a clear warning that the TLR is an inappropriate and ineffective tool to mitigate IROL violations, 2) identifies in a requirement the available alternatives to the use of the TLR procedure to mitigate an IROL violation, and 3) includes measures and levels of non-compliance that address each requirement.