

Consideration of Comments on Draft Standard — MOD-001-4 — Project 2006-07

The ATC Standards Drafting Team thanks all commenters who submitted comments on the draft standard MOD-004-1. These standards were posted for a 30-day public comment period from May 23, 2008 through June 23, 2008. The stakeholders were asked to provide feedback on the standard through a special electronic Standard Comment Form. There were 15 sets of comments, including comments from 51 different people from approximately 30 companies representing 8 of the 10 Industry Segments as shown in the table on the following pages.

There were many comments that led that drafting team to correct typographical errors, and to modify language to improve clarity, but none of the changes made by the drafting team changed the scope or intent of the requirements in the standard.

Requirements

- One entity suggested adding the Load Serving Entity to the list of entities to which the CBMID must be made available to in R2. The SDT incorporated the proposed language, and also added the Balancing Authority.
- One entity that supported the reduction in detail suggested that R9 be modified to require the provision of “applicable” supporting data. The SDT incorporated the proposed language.
- One entity suggested that the NERC standards were requiring CBM to be treated on a first-come, first served basis. As CBM is a margin, the SDT believes that the first entity that needs CBM should be allowed to use it. If a conflict arises due to competing needs, the SDT believes it is up to tariffs and/or business practices to determine the appropriate way to manage the conflict. The SDT has expanded R1.3 to require an explanation of how competing requests for use of CBM are handled.
- One entity requested that the phrase “to meet their need” be removed from R7, R8, M7 and M8, as that implied assignment of CBM like a reservation. The SDT removed the language.
- One entity identified a problem where TSP boundaries and BA boundaries were not consistent. The SDT modified the standard to address the commenter’s concern by modifying R12.3 to read as follows: “The Load of the Energy Deficient Entity is located within the Transmission Service Provider’s area.”
- One entity pointed out that the standard indicated that only one study could be used to determine GCIR. The SDT modified the standard to allow use of multiple methods.
- One entity suggested that R9 include a provision that restricts data “subject to confidentiality and security requirements.” The SDT incorporated the suggested language.

Compliance

- Several entities provided detailed comments with regard to Requirement 6. After careful review, the SDT determined that the providers’ underlying concerns could be addressed with the current standard’s language, provided that it was clear in the measure that the practices employed by those entities were acceptable. The SDT has modified measure M6 to address this concern by adding the following sentence: “Inclusion of GCIR based on R6.1 and R6.2 within the transmission base case meets this requirement.”
- Four entities pointed out that the VSL for R2 referred generically to a “change” without specifying whether that change was in the CBMID or in the implementation. The SDT modified the standard to be clear that the VSL was based on the effective date of the change to the implementation. Some of those entities suggested changes to the timeframes for lateness, and recommended requiring a specific time ahead of a change for

notification. The SDT explained that there are situations where rapid changes to the CBMID or its implementation could be required, and that limitations as suggested could delay entities from making those changes.

- One entity pointed out that the VSLs for R5 and R6 only referred to “re-establishment” of a value – but no initial establishment. The SDT corrected the oversight. The entity also pointed out that the VSLs for R5 and R6 did not allow for the requirement not to be met if information was not available; the SDT modified the language to be clear.
- Several entities felt the use of the phrase “some, but not all” was ambiguous. The SDT modified the VSLs to refer instead to “at least one.”
- One entity asked for limits to be placed on the data retention for R1; the SDT did so by adding the phrase “(but not more than the most recent three calendar years plus the current year).”
- One entity also pointed out that Measure 10 did not allow for the consideration of an EEA3; the SDT modified the language to allow for that consideration.

Concepts

- It was suggested that some of the requirements in the standard should be moved to either the EOP or INT families of standards. The SDT incorporated these requirements into this standard, as they are directly related to CBM. Additionally, the INT and EOP standards are outside the scope of this effort as defined by its SAR. Until such time as a SAR is submitted to move the requirements from this standard to another set of standards, the SDT believes it is more important to have the requirements approved and enforceable.
- It was suggested that Project 2009-09, a Resource Adequacy Assessments Standard, which is slated for development in 2009, be enlarged to include aspects of MOD-004 that relate to defining the four analyses upon which the GCIR determination is based in greater detail. SDT suggested that the commenter submit a suggestion for inclusion in the development of NERC’s Work Plan. Suggestions may be submitted through the Reliability Standards Suggestions and Comment Form:
http://www.nerc.com/files/Standards_Input_Form_Final_2008June30.doc

Based on the comments received, the drafting team is recommending that the Standards Committee authorize moving this standard forward to posting for pre-ballot consideration.

In this “Consideration of Comments” document stakeholder comments have been organized so that it is easier to see the responses associated with each question. All comments received on the standard can be viewed in their original format at:

<http://www.nerc.com/~filez/standards/MOD-V0-Revision.html>

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 the Vice President and Director of Standards, Gerry Adamski, at 609-452-8060 or at gerry.adamski@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.¹

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

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- 6 — Electricity Brokers, Aggregators, and Marketers
- 7 — Large Electricity End Users
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Commenter		Organization	Industry Segment																		
			1	2	3	4	5	6	7	8	9	10									
1.	Ralph Rufrano	New York Power Authority – NPCC Standards Review Committee																			X
Additional Member	Additional Organization	Region	Segment Selection																		
1.	Ralph Rufrano	New York Power Authority	NPCC		5																
2.	Michael Ranalli	National Grid	NPCC		4																
3.	Frederick White	Northeast Utilities	NPCC		1																
4.	William DeVries	New York Independent System Operator	NPCC		2																
5.	Brian Evans-Mongeon	Utility Services	NPCC		6																
6.	Ed Thompson	Consolidated Edison Co. of New York, Inc.	NPCC		1																
7.	Kathleen Goodman	ISO - New England	NPCC		2																
8.	Don Nelson	Massachusetts Dept. of Public Utilities	NPCC		9																
9.	Sylvain Clermont	Hydro-Quebec TransEnergie	NPCC		1																
10.	Michael Gildea	Constellation Energy	NPCC		6																
11.	Randy MacDonald	New Brunswick System Operator	NPCC		2																
12.	Al Adamson	New York State Reliability Council	NPCC		9																
13.	Lee Pedowicz	NPCC	NPCC		10																
2.	Jack Cashin/Barry Green	Electric Power Supply Association					X	X													
3.	Greg Rowland	Duke Energy Corporation	X		X		X	X													
4.	Dennis Kimm	MidAmerican Energy						X													
5.	Danny Dees	MEAG Power	X		X		X														
6.	Chuck Falls	Salt River Project	X		X		X	X													
7.	John Harmon	Midwest ISO, Inc.		X																	
8.	Doug Hohlbaugh	FirstEnergy Corp.	X																		
Additional Member	Additional Organization	Region	Segment Selection																		
1.	Doug Hohlbaugh	FE	RFC		1, 3, 5, 6																
2.	Dave Folk	FE	RFC		1, 3, 5, 6																
3.	Larry Hartley	FE	RFC		3																
4.	Ron Andras	FE	RFC		3																
5.	Dan Huffman	FE	RFC		3																
6.	Gavin Cunningham	FE	RFC		3																
9.	H. Steven Myers	ERCOT		X																	
10.	Alessia Dawes	Hydro One Networks																			
11.	Catherine Wesley	PJM Interconnection, L.L.C.		X																	

Consideration of Comments on ATC/TTC and CBM/TRM Standards (MOD-004) – Project 2006-07

Commenter		Organization		Industry Segment										
				1	2	3	4	5	6	7	8	9	10	
12.	Charles Yeung	Southwest Power Pool – ISO/RTO Council			x									
Additional Member		Additional Organization	Region	Segment Selection										
1.	Patrick Brown	PJM	RFC	2										
2.	Jim Castle	NYISO	NPCC	2										
3.	Ron Falsetti	IESO	NPCC	2										
4.	Matt Goldberg	ISO NE	NPCC	2										
5.	Brent Kingsford	CAISO	WECC	2										
6.	Anita Lee	AESO	WECC	2										
7.	Steve Myers	ERCOT	ERCOT	2										
8.	Bill Phillips	MISO	RFC	2										
13.	Ron Falsetti	Ontario IESO			x									
14.	Jason Shaver	American Transmission Company		x										
15.	Denise Koehn	Bonneville Power Administration		x		x		x	x					
Additional Member		Additional Organization	Region	Segment Selection										
1.	Abbey Nulph	Transmission	WECC	1, 3, 5, 6										
2.	Rebecca Berdhal	Power	WECC	1, 3, 5, 6										
3.	Frances Halpin	Power	WECC	1, 3, 5, 6										
4.	Mary Johannis	Power	WECC	1, 3, 5, 6										
5.	Eric King	Power	WECC	1, 3, 5, 6										
6.	Don Wolfe	Power	WECC	1, 3, 5, 6										
7.	Patrick Rochelle	Transmission	WECC	1, 3, 5, 6										
8.	Susan Millar	Transmission	WECC	1, 3, 5, 6										

1. The drafting team has modified the Violation Risk Factor for R11 and R12 of MOD-004 from Lower to Medium. Are the current VRFs established correctly? If “No,” please identify which VRFs are incorrect, how they should be modified, and a justification for their modification.

Summary Consideration: Most entities supported this change.

One entity suggested raising the VRF for R10 as well. The SDT believes that a Lower VRF for R10 is correct. R10 requires that an entity use CBM only if in an EEA2. If not in an EEA2 and the CBM is requested to be used, there should be a minimal adverse impact to reliability. The SDT would expect that if such a request were made it would be denied; if it were inadvertently approved, it would subsequently be curtailed.

Individual/Group	Question 1:	Question 1 Comments:
ERCOT	No preference	At present, ERCOT does not use the concept of CBM in its operating activities. Therefore, I do not feel it would be appropriate for me to comment upon the VRFs. I believe that ATC, TTC, AFC, CBM, and TRM are concepts that apply to the operation of a Transmission Service Market and do not have an associated reliability function if such a market is not in use.
Response: If ERCOT does not use the concept of CBM, this standard would not apply to ERCOT.		
American Transmission Company	No	ATC supports the change to raise R11 and R12 from lower to medium. This is an example where clearly there is the potential for violations to "directly affect the electrical state or the capability of the Bulk-Power System" as described in the definition for the Medium Risk Requirement. In addition, ATC suggests that R10 be assigned as a "Medium" VRF as well. There is the potential for violations to "directly affect the electrical state or the capability of the Bulk-Power System" as described in the definition for the Medium Risk Requirement.
Response: The SDT believes that a Low VRF for R10 is correct. R10 requires that an entity use CBM only if in an EEA2. If not in an EEA2 and the CBM is requested to be used, there should be a minimal adverse impact to reliability. The SDT would expect that if such a request was made it would be denied; if it was inadvertently approved, it would subsequently be curtailed.		
NPCC SRC	Yes	
Duke Energy Corporation	Yes	
MidAmerican Energy	Yes	
Salt River Project	Yes	
Midwest ISO, Inc.	Yes	
FirstEnergy Corp.	Yes	
Hydro One Networks	Yes	
PJM	Yes	

Individual/Group	Question 1:	Question 1 Comments:
Interconnection, L.L.C.		
ISO/RTO Council	Yes	
Ontario IESO	Yes	
Electric Power Supply Association	No preference	
MEAG Power	No preference	
Bonneville Power Administration	No preference	

2. The drafting team modified the applicable entities for the standard. Do you believe the applicable entities are correct? If “No,” please identify entities should be applicable and what their roles should be.

Summary Consideration: Most entities agreed the applicable entities were correct.

Two entities suggested that the exclusion for Transmission Planners whose Transmission Service Provider did not maintain CBM was incorrect, and that all Transmission Service Providers (and therefore all Transmission Planners) had to follow the standard. Paragraph 82 of FERC Order 890-A states “The Commission clarifies in response to Duke that utilities do not need to make CBM available to LSEs on their system if the utilities do not reserve for themselves CBM or its equivalent.” Accordingly, the SDT has written the requirements and applicability such that only entities who maintain a CBM are required to follow this standard. For Transmission Planners, this is addressed in the “Applicability” section of the standard; for Transmission Service Providers, however, some requirements apply to all Transmission Service Providers, while others apply only to those who maintain CBM – in this case, the applicability has been explicitly identified in the requirements themselves.

One entity suggested that this standard should not apply if an entity maintained CBM but did not use one of the three ATC methodologies. The SDT believes that the applicability is clear as written, and requires no modification.

Individual/Group	Question 2:	Question 2 Comments:
FirstEnergy Corp.	No	Per our comments from Item 1 in Question 6 regarding the TSP electing to maintain CBM, we suggest changing "Transmission Planner, when their associated Transmission Service Provider has elected to maintain CBM" to simply "Transmission Planners".
Response: Paragraph 82 of FERC Order 890-A states “The Commission clarifies in response to Duke that utilities do not need to make CBM available to LSEs on their system if the utilities do not reserve for themselves CBM or its equivalent.” Accordingly, the SDT has written the requirements and applicability such that only entities who maintain a CBM are required to follow this standard. For Transmission Planners, this is addressed in the “Applicability” section of the standard; for Transmission Service Providers, however, some requirements apply to all Transmission Service Providers, while others apply only to those who maintain CBM – in this case, the applicability has been explicitly identified in the requirements themselves.		
ERCOT	No	I believe language should be added to make it very clear that only those entities that have ATC paths are applicable. I believe that the Requirements have been modified to indicate that only such entities that use the concept of CBM have a performance expected, but further clarifying the applicable entities language would help to make it even clearer.
Response: The SDT believes that the applicability is clear as written, and requires no modification.		
Hydro One Networks	No	The Applicability section of the standard reads as if maintaining a CBM is optional. We have concern with the following: Section 4.5 "Transmission Planners, when their associated Transmission Service Provider has

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Individual/Group	Question 2:	Question 2 Comments:
		elected to maintain CBM." This reads as though the TSP has the option of not maintaining a CBM and hence a TP has no responsibility as well. We suggest removing the "...when their associated TSP has elected to maintain CBM?" as it is mandatory that CBM is established and maintained (even if it is zero).
<p>Response: Paragraph 82 of FERC Order 890-A states "The Commission clarifies in response to Duke that utilities do not need to make CBM available to LSEs on their system if the utilities do not reserve for themselves CBM or its equivalent." Accordingly, the SDT has written the requirements and applicability such that only entities who maintain a CBM are required to follow this standard. For Transmission Planners, this is addressed in the "Applicability" section of the standard; for Transmission Service Providers, however, some requirements apply to all Transmission Service Providers, while others apply only to those who maintain CBM – in this case, the applicability has been explicitly identified in the requirements themselves.</p>		
NPCC SRC	Yes	
Duke Energy Corporation	Yes	
Salt River Project	Yes	
Midwest ISO, Inc.	Yes	
PJM Interconnection, L.L.C.	Yes	
ISO/RTO Council	Yes	
Ontario IESO	Yes	
Electric Power Supply Association	No preference	
MidAmerican Energy	No preference	
MEAG Power	No preference	
American Transmission Company	No preference	
Bonneville Power Administration	No preference	

- The Drafting Team eliminated the detail regarding the request and response process for CBM. Do you believe this reduction in detail is appropriate? If “No,” please explain.

Summary Consideration: In general, entities were supportive of the reduction in detail. Three entities expressed concern with the reduction in detail.

One of those entities expressed concern that the standard was a “fill in the blank” standard. The SDT has attempted to draft the standard such that it is compatible with many other previously approved implementations of CBM. The SDT believe that this version of the standard is significantly more detailed than the existing standard, and although less prescriptive than some may desire, is not “fill in the blank.”

One of those entities suggested that more frequent reviews of CBM should be undertaken, and that the standard should explain how to deal with equity and financial issues related to scarcity of CBM in real-time. Regarding the more frequent reviews, the SDT has identified through previous drafts and comment that the industry believes a less frequent review is appropriate. The SDT notes that only one entity expressed this concern. Regarding the question of equity and financial issues, the SDT does not believe that reconciliation of CBM and financial compensation is within the scope of this standards effort, and more properly belongs within tariffs, business practices, or other documents related to equity issues.

The last of those entities suggested that the Load Serving Entity be included in the list of entities to which the CBMID must be made available to. The SDT incorporated the proposed language, and also added the Balancing Authority.

One entity that supported the reduction in detail suggested that R9 be modified to require the provision of “applicable” supporting data. The SDT incorporated the proposed language.

Individual/Group	Question 3:	Question 3 Comments:
Electric Power Supply Association	No	<p>Some of the detail that has been eliminated was valuable and what is left resembles a fill-in-the-blank standard in some important aspects. For example, the previous draft required that CBM requirements be updated every 30 days. While the requirement for updates every 30 days may be excessive, it is important that the quantity withheld for CBM be reviewed regularly, as this transmission capability is not available for use by the market. We suggest a minimum of quarterly be required.</p> <p>Response: Through previous drafts and comments, the SDT has identified that the industry believes a less frequent review is appropriate.</p> <p>The previous draft also specified the requirement for a TSP to make all CBM available to eligible parties requesting it (when in an EEA 2) even if some of those parties had needs that exceeded amounts requested in</p>

Individual/Group	Question 3:	Question 3 Comments:
		<p>advance. While EPSA agreed that this was appropriate at the time of the emergency, there needed to be a reconciliation after the fact, and a possible finding of a violation, if the appropriate amounts of CBM were not being requested and paid for and therefore inappropriate amounts of transmission capability were being withheld from the market. In the current draft standard, it is not clear that any requirement would be violated under these circumstances.</p> <p>Response: The SDT does not believe that reconciliation of CBM and financial compensation is within the scope of this standards effort, and more properly belongs within tariffs, business practices, or other documents related to equity issues.</p>
Response: Please see in-line responses.		
MidAmerican Energy	No	The standard is a fill-in-blank standard, and although probably won't be approved by the industry unless it is a fill-in-the blank standard, I will be in the minority and not vote for this standard.
Response: The SDT has attempted to draft the standard such that it is compatible with many other previously approved implementations of CBM. The SDT believe that this version of the standard is significantly more detailed than the existing standard.		
Bonneville Power Administration	No	Why isn't the LSE among the entities listed in sec B.R.2, to which the TSP must make the current copy of the CBMID available to?
Response: The SDT has modified the standard to incorporate the suggested change, as well as include Balancing Authorities. The new language reads as follows: "R2. The Transmission Service Provider that maintains CBM shall make available its current CBMID to the Transmission Operators, Transmission Service Providers, Reliability Coordinators, Transmission Planners, Resource Planners, and Planning Coordinators that are within or adjacent to the Transmission Service Provider's area, and to the Load Serving Entities and Balancing Authorities within the Transmission Service Provider's area, and notify those entities of any changes to the CBMID prior to the effective date of the change." However, the SDT also notes that current draft NAESB business practices also require this information to be posted on the OASIS.		
American Transmission Company	Yes	ATC supports the proposed elimination of excess detail. In addition, ATC suggests that R9 be changed to "The Transmission Service Provider or Transmission Planner that maintains CBM shall provide copies of the applicable supporting data".
Response: The SDT has made the requested change. The new language is, "R9. The Transmission Service Provider that maintains CBM and the Transmission Planner shall each provide (subject to confidentiality and security requirements) copies of the applicable supporting data, including any models, used for determining CBM or allocating CBM over each ATC Path or Flowgate to the following:"		
FirstEnergy Corp.	Yes	We agree that the standard should be much less prescriptive as to how CBM is determined and utilized.
Response: Thank you for your supportive comment.		
NPCC SRC	Yes	
Duke Energy Corporation	Yes	
Salt River Project	Yes	
Midwest ISO, Inc.	Yes	

Individual/Group	Question 3:	Question 3 Comments:
ERCOT	Yes	
Hydro One Networks	Yes	
PJM Interconnection, L.L.C.	Yes	
ISO/RTO Council	Yes	
Ontario IESO	Yes	
MEAG Power	No preference	

4. The drafting team has modified the Violation Severity Levels for MOD-004 to reflect industry concerns that they were too “pass/fail” oriented. Are the current VSLs established correctly? If “No,” please identify specific VSLs and suggest changes to the language.

Summary Consideration: Four entities expressed concern with the VSLs.

Four entities pointed out that the VSL for R2 referred generically to a “change” without specifying whether that change was in the CBMID or in the implementation. The SDT modified the standard to be clear that the VSL was based on the effective date of the change to the implementation. Some of those entities suggested changes to the timeframes for lateness, and require a specific time ahead of a change for notification. The SDT explained that there are situations where rapid changes to the CBMID or its implementation could be required, and that limitations as suggested could delay entities from making those changes.

One entity pointed out that the VSLs for R5 and R6 only referred to “re-establishment” of a value – but no initial establishment. The SDT corrected the oversight. The entity also pointed out that the VSLs for R5 and R6 did not allow for the requirement not to be met if information was not available; the SDT modified the language to be clear.

Several entities felt the use of the phrase “some, but not all” was ambiguous. The SDT modified the VSLs to refer instead to “at least one.”

Individual/Group	Question 4:	Question 4 Comments:
Salt River Project	No	<p>VSL for R2 - The VSL ties the number of days for notification to others using the phrase "after a change was made" in the CBMID. The requirement R2 refers instead to "the effective date of the change" which may be different from the date a change is made in the CBMID. We suggest the wording at all levels of VSL for this requirement be modified to refer to the effective date of the change.</p> <p>Response: The SDT has modified the VSL as suggested.</p> <p>VSL for R5 - None of the VSL levels are identified if the TSP never re-establishes the CBM once first established. Suggest adding the following words to the Severe VSL description " OR The TSP never re-establishes the CBM after first established." Also, in both the Moderate & Severe VSL description the words "if available" should be added following reference to R5.1 since none of the items in this section may be available which is acceptable per the first sentence in R5.1.</p> <p>Response: The SDT believe that the first issue is already addressed by requiring re-establishing the value after a previous establishment. However, the SDT has added a Severe VSL criteria for entities that maintain</p>

Individual/Group	Question 4:	Question 4 Comments:
		<p>CBM but have not established an initial value. The SDT has modified the “Moderate” reference to R5.1 to address whether data was available; the “Severe” reference already included this language.</p> <p>VSL for R6 - Same comments apply as for R5 VSL. Response: The SDT believe that the first issue is already addressed by requiring re-establishing the value after a previous establishment. However, the SDT has added a Severe VSL criteria for entities that maintain CBM but have not established an initial value. The SDT has modified the “Moderate” reference to R6.1 to address whether data was available; the “Severe” reference already included this language.</p> <p>VSL for R7 - Change the "all" to "of" in the last sentence of the severe VSL. Response: The SDT has corrected this typographical error.</p>
<p>Response: Please see in-line responses.</p>		
Hydro One Networks	No	<p>VSL for R2: The VSL should be based on whether the TSP gave prior notice to changes in the CBMID before the changes took effect. Hence the requirement needs to be modified to specify how much "prior" is acceptable. We propose 30 days as appropriate. Hence the VSLs could be:</p> <p>Low = "...notification of less than 30 days but greater than 20 days of effective date." Medium = "... notification of 20 days or less but greater than 10 days of effective..." High = "...notification of 10 days or less but greater than 1 day of effective date..." Severe = "... gave 1 day or no notice of change prior to the effective date ..."</p> <p>Response: The SDT believes that there are situations where rapid changes to the CBMID or its implementation could be required, and that limitations as suggested could delay entities from making those changes. Accordingly, the SDT did not elect to specify a minimum notice period for the requirement. Based on previous comments, the SDT has modified R2 to refer to the “effective date” rather than simply “the change.”</p> <p>As well, the VSLs for the second condition of R2 (the entities requiring CBMID) use the word "some" which is a loose term. We suggest rewording the "AND" part of the VSLs as follows:</p> <p>High = " ...made available the CBMID to less than 100% but greater than 50% of all entities listed in R2 who require it." Severe = "...made available the CBMIS to 50% or less of all entities listed in R2 who require it."</p>

Individual/Group	Question 4:	Question 4 Comments:
		<p>VSLs for R7, R8 and R9 using this "some" loosely as well. We recommend the same wording recommended for R2 VSLs above.</p> <p>Response: To be clearer, the SDT has replaced the word "some" with "at least one."</p> <p>VSL for R6: The VSL ranges need to be modified to match the requirement range OR change the requirement to state the frequency at which they must maintain the subsequent 2 to 10 year CBM values. Also, requirement R6 induces the question "subsequent to what?" Do we assume subsequent to R5's 13 months? We may be interpreting the requirement wrong. If so, please rephrase the requirement.</p> <p>Response: The SDT has modified the VSLs to be clear that the duration referenced is related to the "lateness" of the determination, not the range to be calculated. In order to be clearer, the SDT has removed the word "subsequent" and redrafted the requirement as follows: "R6. At least every 13 months, the Transmission Planner shall establish a CBM value for each ATC Path or Flowgate to be used for planning purposes during each of the years two through ten following the current year."</p>
<p>Response: Please see in-line responses.</p>		
ISO/RTO Council	No	<p>We agree with all VSLs except the following:</p> <p>R2: The structure of R2 is fine, but the identification of "late" notification of changes to CBMID needs to be based upon some specific time frame requirement in R2, which is absent in this draft standard. Please see our related comments under Q6. Further, the second condition for the HIGH VSL is loose. It assigns a HIGH to the TSP if it made available the CBMID to "some", but not all, of the entities specified in R2. "Some" needs to be more specific as otherwise, it will be a basis for argument in an audit process. Suggest to expand and grade the second condition VSLs by 1, 2, 3 and 4 or more for Low, Medium, High and Severe.</p> <p>Response: The "late" criterion is not absent from the Requirement; the requirement states that notification must occur "before" the effective date of the change. Any notification that is not "before" that date is covered by the VSL and graded on "lateness." To be clearer, the SDT has replaced the word "some" with "at least one."</p> <p>R7: Same comment and suggestion for R2 on the assignment of HIGH based on "some" also applies here.</p> <p>Response: To be clearer, the SDT has replaced the word "some" with "at least one."</p>

Individual/Group	Question 4:	Question 4 Comments:
		<p>R8: Same comment and suggestion for R2 on the assignment of HIGH based on "some" also applies here. Response: To be clearer, the SDT has replaced the word "some" with "at least one."</p> <p>R9: Same comment and suggestion for R2 on the assignment of HIGH based on "some" also applies here. In this case, the graded VSLs can be based on the percentage of total data requested.</p> <p>Response: To be clearer, the SDT has replaced the word "some" with "at least one." The SDT believes that the "percentage of total data requested" would be somewhat difficult to measure.</p>
<p>Response: Please see in-line responses.</p>		
Ontario IESO	No	<p>We agree with all VSLs except the following:</p> <p>R2: The structure of R2 is fine, but the identification of "late" notification of changes to CBMID needs to be based upon some specific time frame requirement in R2, which is absent in this draft standard. Please see our related comments under Q6. Further, the second condition for the HIGH VSL is loose. It assigns a HIGH to the TSP if it made available the CBMID to "some", but not all, of the entities specified in R2. "Some" needs to be more specific as otherwise, it will be a basis for argument in an audit process. Suggest to expand and grade the second condition VSLs by 1, 2, 3 and 4 or more for Low, Medium, High and Severe.</p> <p>Response: The "late" criterion is not absent from the Requirement; the requirement states that notification must occur "before" the effective date of the change. Any notification that is not "before" that date is covered by the VSL and graded on "lateness." To be clearer, the SDT has replaced the word "some" with "at least one."</p> <p>R7: Same comment and suggestion for R2 on the assignment of HIGH based on "some" also applies here. Response: To be clearer, the SDT has replaced the word "some" with "at least one."</p> <p>R8: Same comment and suggestion for R2 on the assignment of HIGH based on "some" also applies here. Response: To be clearer, the SDT has replaced the word "some" with "at least one."</p> <p>R9: Same comment and suggestion for R2 on the assignment of HIGH based on "some" also applies here. In this case, the graded VSLs can be based on the percentage of total data requested.</p> <p>Response: To be clearer, the SDT has replaced the word "some" with "at least one." The SDT believes that</p>

Individual/Group	Question 4:	Question 4 Comments:
		the “percentage of total data requested” would be somewhat difficult to measure.
Response: Please see in-line responses.		
NPCC SRC	Yes	
Duke Energy Corporation	Yes	
Midwest ISO, Inc.	Yes	
PJM Interconnection, L.L.C.	Yes	
American Transmission Company	Yes	
ERCOT	No preference	At present, ERCOT does not use the concept of CBM in its operating activities. Therefore, I do not feel it would be appropriate for me to comment upon the VSLs. I believe that ATC, TTC, AFC, CBM, and TRM are concepts that apply to the operation of a Transmission Service Market and do not have an associated reliability function if such a market is not in use.
Response: If ERCOT does not use the concept of CBM, this standard would not apply to ERCOT.		
Electric Power Supply Association	No preference	
MidAmerican Energy	No preference	
MEAG Power	No preference	
Bonneville Power Administration	No preference	

- The drafting team has modified the measures and compliance elements for MOD-004 based on industry comments. Do you believe these changes to the measures and compliance elements are appropriate? If “No,” please identify your concerns.

Summary Consideration: Most entities were supportive of the measures and compliance.

One entity asked for limits to be placed on the data retention for R1; the SDT did so by updating the data retention to “the most recent three calendar years plus the current year.”

One entity suggested movement of some explanatory text related to the use of zero values to form the measure to the requirement; the SDT believes the requirement already allows for zero values, and that this inclusion in the measure is intended to make it clear to an auditor when measuring compliance that the intent of the drafting team was to allow the use of zero values. That entity also pointed out that Measure 10 did not allow for the consideration of an EEA3; the SDT modified the language to allow for that consideration.

Individual/Group	Question 5:	Question 5 Comments:
Duke Energy Corporation	No	Section 1.3 Data Retention, first bullet should identify a maximum retention period, such as the most recent three calendar years plus the current year. Response: The SDT has revised the standard to state, “for the most recent three calendar years plus the current year” to address this concern.
FirstEnergy Corp.	No	M6 - The phrase "(Note that CBM values may legitimately be zero)" should be removed from the measures and be integrated into the requirements. Response: The SDT believes the requirement already allows for zero values; this inclusion in the measure is intended to make it clear to an auditor when measuring compliance that the intent of the drafting team was to allow the use of zero values. M10 - The end of the statement in the measure should say "EEA 2 or higher". Response: The SDT has modified the language to incorporate the words “or higher.”
Response: Please see in-line responses.		
ERCOT	No preference	At present, ERCOT does not use the concept of CBM in its operating activities. Therefore, I do not feel it would be appropriate for me to comment upon the measures and compliance elements. I believe that ATC, TTC, AFC, CBM, and TRM are concepts that apply to the operation of a Transmission Service Market and do not have an associated reliability function if such a market is not in use. Response: If ERCOT does not use the concept of CBM, this standard would not apply to ERCOT.
NPCC SRC	Yes	
Salt River Project	Yes	

Individual/Group	Question 5:	Question 5 Comments:
Midwest ISO, Inc.	Yes	
PJM Interconnection, L.L.C.	Yes	
ISO/RTO Council	Yes	
Ontario IESO	Yes	
American Transmission Company	Yes	
Electric Power Supply Association	No preference	
MidAmerican Energy	No preference	
MEAG Power	No preference	
Hydro One Networks	Yes	
Bonneville Power Administration	No preference	

6. Please provide any other comments (that you have not already provided in response to the questions above) that you have on the proposed MOD-004.

Summary Consideration:

One entity suggested that the NERC standards were requiring CBM to be treated on a first-come, first served basis. As CBM is a margin, the SDT believes that the first entity that needs CBM should be allowed to use it. If a conflict arises due to competing needs, the SDT believes it is up to tariffs and/or business practices to determine the appropriate way to manage the conflict. The SDT has expanded R1.3 to require an explanation of how competing requests for use of CBM are handled.

One entity requested that the phrase “to meet their need” be removed from R7, R8, M7 and M8, as this implied assignment of CBM like a reservation. The SDT removed the language.

One entity identified a problem where TSP boundaries and BA boundaries were not consistent. The SDT modified the standard to address the commenter’s concern by modifying R12.3 to read as follows: “The Load of the Energy Deficient Entity is located within the Transmission Service Provider’s area.”

Several entities provided detailed questions with regard to Requirement 6. After careful review, the SDT determined that the providers’ underlying concerns could be addressed with the current standards language, provided that it was clear in the measure that the practices employed by those entities were acceptable. The SDT has modified measure M6 to address this concern by adding the following sentence: “Inclusion of GCIR based on R6.1 and R6.2 within the transmission base case meets this requirement.”

Two entities seemed to believe that CBM was required. The SDT directed those entities to the language in Order 890-A that indicated CBM was not required.

One entity pointed out that the standard indicated that only one study could be used to determine GCIR. The SDT modified R4.1 to allow for the use of multiple methods.

Several entities questioned the location of the requirements related to the use of CBM; some suggested they be moved to the INT standards, while other suggested they be moved to the EOP standards. The SDT has incorporated these requirements into this standard, as they are directly related to CBM. Additionally, the INT and EOP standards are outside the scope of this effort as defined by its SAR. Until such time as a SAR is submitted to move the requirements from this standard to another set of standards, we believe it is more important to have the requirements approved and enforceable.

Some entities suggested changes to the timeframes for lateness in R2, and requirement of a specific time ahead of a change for notification. The SDT explained that there are situations where rapid changes to the CBMID or its implementation could be required, and that limitations as suggested could delay entities from making those changes.

One entity suggested that R9 include a provision that restricts data “subject to confidentiality and security requirements.” The SDT incorporated the suggested language.

Individual/Group	Question 6 Comments:
Electric Power Supply Association	<p>In the following areas, EPSA believes that additional specificity in the standard would be beneficial.</p> <ul style="list-style-type: none"> – The update frequency for specifying the quantities of CBM to be withheld (see question 3 above) <p>Response: Through previous drafts and comments, the SDT has identified that the industry believes a less frequent review is appropriate.</p> <ul style="list-style-type: none"> – R3.1 specifies certain types of studies that are appropriate for the determination of CBM to be requested, for example LOLP studies. However, no guidance is provided on the appropriate target reliability. For example is 1 day in 10 years appropriate or 1 day in 100 years. <p>Response: The SDT believes this is generally specified by regulatory authorities, and is outside the scope of the SAR.</p> <ul style="list-style-type: none"> – R3.2 requires the purchaser of CBM to specify the import paths or source region for the CBM. Is there any ability for the TSP to alter this request? If so, on what basis? On what frequency should this information be updated? <p>Response: Requirements 5.2 and 6.2 state that the Transmission Service Provider and Transmission Planner must utilize the import paths or source regions during it’s CBM allocation. The SDT believes this does not allow changes to the CBM requests; in the case where a specific source or path did not have sufficient capacity to be set aside, the Transmission Service Provider and/or Transmission Planner would have to communicate this back to the requestor, and that requestor would need to identify an alternate source or path.</p> <ul style="list-style-type: none"> – In R12 there is no indication of a priority level when CBM is requested by multiple LSEs in an EEA 2 and less than the full requested amount is available. Is the CBM granted to the LSE that had requested that it be set aside (R3)? Is it merely first come first served? Under this scenario, where a single contingency prompts a request for CBM from multiple LSEs, this suggests that it would be granted to the LSE that completes the paper work most quickly.

Individual/Group	Question 6 Comments:
	Response: As CBM is a margin, the SDT believes that the first entity that needs CBM should be allowed to use it. If a conflict arises due to competing needs, the SDT believes it is up to tariffs and/or business practices to determine the appropriate way to manage the conflict. The SDT has expanded R1.3 to require an explanation of how competing request for use of CBM are handled.
	Response: Please see in-line responses.
Duke Energy Corporation	In Requirements R7 and R8, and Measures M7 and M8 the phrase "to meet their need" should be struck. This phrase implies that the CBM set-aside would be assigned/allocated to specific LSEs and Resource Planners, which is not the case.
	Response: The SDT has eliminated the phrase as suggested.
MidAmerican Energy	NERC needs to develop clear standards for how the CBM value shall be determined, allocated across transmission paths, and used. The current standard does not require that to happen.
	Response: The SDT has attempted to draft the standard such that it is compatible with many other previously approved implementations of CBM. The SDT believes that the standard provides guidance regarding the attributes of the calculation without being overly prescriptive
MEAG Power	I wish to thank the SDT for its consideration of comments I submitted previously. Others at MEAG Power may choose to comment on other aspects of this standard; however, I comment solely to request that the SDT reconsider the wording of R12.3 in light of the fact that no Balancing Authority IS LOCATED WITHIN MEAG Power's service area. More specifically, MEAG Power's transmission system provides network service from network resources in Georgia to the loads of 48 cities and one county in Georgia. MEAG Power owns no transmission facilities outside of Georgia even though its system operates within the (multi-state) Southern Company Balancing Authority pursuant to a FERC-approved contract. Thus, MEAG Power is incapable of providing CBM to substantial amounts of load located within our host balancing authority (e.g., load located in Mississippi, Alabama and Florida). While it may not be typical for a TSP's service area to be a subset of its host balancing authority's footprint, I believe there are some others in this situation. Therefore, please consider if the following alternative wording would be suitable: R12.3 The energy deficient entity in the Balancing Authority with the EEA 2 has load located within the Transmission Service Provider's area.
	Response: The SDT has clarified the requirement to meet the intent of your suggestion. R12.3 now reads as follows: "The Load of the Energy Deficient Entity is located within the Transmission Service Provider's area."
Salt River Project	No other comments to offer.
Midwest ISO, Inc.	R6: Can the SDT clarify the intent of "planning purposes during the subsequent years two through ten." Does this refer to transmission expansion planning or long term TSR planning? The Midwest ISO believes the intent is for transmission expansion planning. If this is true, then we believe that establishing/using a predetermined CBM value per path or flowgate should not be the only way to account for LOLE in the planning process. The Midwest ISO, through Module E of its Tariff, conducts Resource Adequacy studies to determine the total amount of generation available in its footprint and then derive the total amount of power remaining to satisfy its LOLE requirements. This remaining power can be accounted for by building additional transmission in order to

Individual/Group	Question 6 Comments:
	<p>import or new generation can be built to meet the remaining power requirement. The Midwest ISO calculates CBM values for flowgates based on the remaining power requirement for short term (less than a year) ATC calculations. The Midwest ISO processes for Resource Adequacy and CBM Methodology have been through a Stakeholder process. We ask the SDT to consider the following language change:</p> <p>R6: The Transmission Planner shall establish a predetermined CBM value for each ATC Path or Flowgate or GCIR for each designated area to be used for future transmission planning during the subsequent years two through ten.</p> <p>R6.1 CBM and GCIR values shall reflect consideration of each of the following if available:</p> <ul style="list-style-type: none"> •Any studies (as described in R3.1) performed by Load-Serving Entities for loads within the Transmission Planner's area •Any studies (as described in R4.1) performed by Resource Planners for loads within the Transmission Planner's area •Any reserve margin or resource adequacy requirements for loads within the Transmission Planner's area established by other entities, such as municipalities, state commissions, regional transmission organizations, independent system operations, Regional Reliability Organizations, or regional entities <p>R6.2 Predetermined CBM values shall be allocated as follows:</p> <ul style="list-style-type: none"> •For ATC Paths, based on the expected import paths or source regions provided by Load-Serving Entities or Resource Planners •For Flowgates, based on the expected import paths or source regions provided by Load-Serving Entities or Resource Planners and the distribution factors associated with those paths or regions, as determined by the Transmission Planner <p>R6.3 Entities that do not utilize a predetermined CBM value in their respective planning process shall describe in their CBMID how the GCIR is calculated for each area and how the GCIR is used to calculate CBM values for ATC paths or Flowgates for selling transmission service.</p> <p>Response: The SDT has modified measure M6 to address this concern by adding the following sentence: "Inclusion of GCIR based on R6.1 and R6.2 within the transmission base case meets this requirement."</p> <p>R8: The Midwest ISO believes this requirement will also need modification based on our comments and proposed revision to R6. Please consider the language below:</p> <p>R8. Less than 31 calendar days after the establishment of CBM or GCIR, the Transmission Planner shall notify</p>

Individual/Group	Question 6 Comments:
	<p>all the Load-Serving Entities and Resource Planners that determined they had a need for CBM on the system being planned by the Transmission Planner of the amount of CBM set aside or the GCIR required to meet their resource adequacy requirements.</p> <p>Response: the SDT believes that entities will need to convert GCIR into CBM. Accordingly, the SDT does not believe changes to the requirement are needed.</p>
<p>Response: Please see in-line responses.</p>	
<p>FirstEnergy Corp.</p>	<p>1. We question how the TSP can "elect" to maintain CBM per R1. What if, per R3, the LSE determined they had a need to set aside transmission capacity as CBM but their TSP does not maintain CBM? Per FERC Orders 890 and 693, the LSE has the right to request CBM be set aside if it can prove that it is a critical need based on LOLE, deterministic studies, historical data, etc. as described in R3. We suggest revising the first part of the first sentence of R1 to state "The Transmission Service Provider that has been asked by its LSE or RP to maintain CBM?".</p> <p>Response: Paragraph 82 of FERC Order 890-A states "The Commission clarifies in response to Duke that utilities do not need to make CBM available to LSEs on their system if the utilities do not reserve for themselves CBM or its equivalent." Accordingly, we have written the requirements and applicability such that only entities who maintain a CBM are required to follow this standard.</p> <p>2. Per R3 and R4, it is not clear how GCIR is used in the CBM process. Is it merely equal to the CBM value or is it somehow used by the TSP to determine how much CBM is needed for each ATC Path or Flowgate? Either way, the standard should explain what is done with the GCIR once it has been established.</p> <p>Response: The SDT chose not to be overly prescriptive regarding how GCIR would be used. GCIR may be used to determine the CBM, or may be used as the CBM, depending on the manner in which the entity implements CBM and the specific ATC methodology chosen.</p> <p>3. In R3.1 and R4.1, can the LSE and RP use different studies for different ATC Paths or Flowgates? If so, then R3.1 and R4.1 should be revised to state "Using one of the following for each ATC Path or Flowgate to determine the GCIR:".</p> <p>Response: The SDT has modified the language of the requirements to allow for the use of multiple approaches for determining GCIR.</p> <p>4. With regard to R3 and the responsibilities of the LSE, currently many LSEs work with their TSP to determine the need for CBM because most LSEs do not have the capability to undertake these studies on their own. In addition, several LSEs participate within a Planned Resource Sharing Group that works with that sharing</p>

Individual/Group	Question 6 Comments:
	<p>group's TSP to determine the need for CBM. We assume that these activities would be permitted to continue and that this standard will not preclude LSEs from working with their TSP to determine CBM needs. We ask the SDT to confirm our assumptions.</p> <p>Response: We believe that entities using a Planned Resource Sharing Group should be able to continue to do so by either 1.) working with their Resource Planner, or 2.) registering as a Joint Registration Organization.</p>
<p>Response: Please see in-line responses.</p>	
<p>Hydro One Networks</p>	<p>Effective Date:</p> <p>We believe there is a fundamental issue related with effective dates, that is, the dates in which Reliability Standards become effective and enforceable. In principle, the effective date of standards must be the same for all jurisdictions in North America. It does not make sense that there is a period of time when a standard is effective only in some jurisdictions while not in others. This is particularly important in standards that have a clear reliability impact. In addition, it does not seem appropriate to have entities exposed to sanctions for non-compliance in some jurisdictions while not in others.</p> <p>The words inserted in the Effective Date of the Standards as well as in the Implementation Plan posted documents permit that these Standards are effective in some jurisdictions and not others. The Standard and the Implementation Plan should be modified to ensure that they become effective in all jurisdictions at the same time, including those where such regulatory approval is not required, that is, only when all regulatory approvals have been obtained. We suggest the same words used in MOD-001, 28, 29 and 30 be used:</p> <p>“All requirements in the standard should become effective on the first day of the first calendar quarter that is twelve months beyond the date the standard is approved by all applicable regulatory authorities.”</p> <p>Response: The SDT believes that in this case, it is not critical from a relativity perspective to implement this standard concurrently across North America. Note that there is already a CBM standard in place; until such time as this standard is approved, that standard will remain in effect.</p> <p>R11 and R12: We think these requirements belong in the INT standards, which deals with reliability assessment of Arranged Interchange.</p> <p>Response: The SDT has incorporated these requirements into this standard, as they are directly related to CBM. Additionally, the INT standards are outside the scope of this effort as defined by its SAR. Until such time as a SAR is submitted to move the requirements from this standard to another set of standards, we believe it is more important to have the requirements approved and enforceable.</p>

Individual/Group	Question 6 Comments:
<p>PJM Interconnection, L.L.C.</p>	<p>Response: Please see in-line responses.</p> <p>PJM submits the following comments for consideration. PJM proposes revising Requirement 6 as follows:</p> <p>R6 - At least every 13 months, the Transmission Planner shall establish a CBM value for each ATC Path or Flowgate to be used during the subsequent years 2 through 10. This value shall: [Violation Risk Factor: Lower] [Time Horizon: Operations Planning]</p> <p>PJM proposes the addition of a new Requirement 7 as follows:</p> <p>New R7 - At least every 13 months, the Transmission Planner shall establish a CBM value to be used for planning purposes during the subsequent years 2 through 10. This value shall: [Violation Risk Factor: Lower] [Time Horizon: Operations Planning]</p> <p>Response: The SDT interprets this comment to mean that PJM believes that planning may utilize a GCIR value rather than a specific path-based CBM. The SDT has modified measure M6 to address this concern by adding the following sentence: "Inclusion of GCIR based on R6.1 and R6.2 within the transmission base case meets this requirement."</p> <p>PJM agrees that Requirements 10, 11 and 12 are essential. PJM identifies these requirements as addressing emergency scenarios. PJM proposes that it is more appropriate to include these requirements in EOP-002, Attachment 1 which governs emergency operations.</p> <p>Response: The SDT has incorporated these requirements into this standard, as they are directly related to CBM. Additionally, the EOP standards are outside the scope of this effort as defined by its SAR. Until such time as a SAR is submitted to move the requirements from this standard to another set of standards, we believe it is more important to have the requirements approved and enforceable.</p>
<p>ISO/RTO Council</p>	<p>Response: Please see in-line responses.</p> <p>R2: It requires the TSP to notify those entities of any changes to the CBMID prior to the effective date of the change. There should be a time frame specified for the notification to tighten up the requirement and facilitate proper development of measures and VSLs. Given that the changes affect the CBMID, we'd think that a period of 7 to 30 days would be appropriate.</p> <p>Response: The SDT believes that there are situations where rapid changes to the CBMID or its implementation could be required, and that limitations as suggested could delay entities from making those changes. Accordingly, the SDT did not elect to specify a minimum notice period for the requirement. Based on previous comments, the SDT has modified R2 to refer to the "effective date" rather than simply "the</p>

Individual/Group	Question 6 Comments:
	<p>change.”</p> <p>R9: It requires the TSP and TP to provide copies of the supporting data, including any models, used for determining CBM to a number of entities. It should be noted that some of these requesting entities may have commercial interests or affiliations. Further, in some established markets or jurisdictions, the TSPs and/or the TPs may not be able to provide such data, especially the model, to a third party. We suggest this requirement be qualified by adding "subject to confidentiality and security requirements" as in MOD-001, R8.</p> <p>Response: The SDT has modified R9 to include the suggested language.</p> <p>R11 and R12: We think these 2 requirements should be moved to INT-006 which deals with reliability assessment of Arranged Interchange. The draft INT-006 being posted for comments deals specifically with emergency requests (and reliability adjustment requests).</p> <p>Response: The SDT has incorporated these requirements into this standard, as they are directly related to CBM. Additionally, the INT standards are outside the scope of this effort as defined by its SAR. Until such time as a SAR is submitted to move the requirements from this standard to another set of standards, we believe it is more important to have the requirements approved and enforceable.</p>
<p>Response: Please see in-line responses.</p>	
<p>Ontario IESO</p>	<p>R2: It requires the TSP to notify those entities of any changes to the CBMID prior to the effective date of the change. There should be a time frame specified for the notification to tighten up the requirement and facilitate proper development of measures and VSLs. Given that the changes affect the CBMID, we'd think that a period of 7 to 30 days would be appropriate.</p> <p>Response: The SDT believes that there are situations where rapid changes to the CBMID or its implementation could be required, and that limitations as suggested could delay entities from making those changes. Accordingly, the SDT did not elect to specify a minimum notice period for the requirement. Based on previous comments, the SDT has modified R2 to refer to the “effective date” rather than simply “the change.”</p> <p>R9: It requires the TSP and TP to provide copies of the supporting data, including any models, used for determining CBM to a number of entities. It should be noted that some of these requesting entities may have commercial interests or affiliations. Further, in some established markets or jurisdictions, the TSPs and/or the TPs may not be able to provide such data, especially the model, to a third party. We suggest this requirement be qualified by adding "subject to confidentiality and security requirements" as in MOD-001, R8.</p>

Individual/Group	Question 6 Comments:
	<p>Response: The SDT has modified R9 to include the suggested language.</p> <p>R11 and R12: We think these 2 requirements should be moved to INT-006 which deals with reliability assessment of Arranged Interchange. The draft INT-006 being posted for comments deals specifically with emergency requests (and reliability adjustment requests).</p> <p>Response: The SDT has incorporated these requirements into this standard, as they are directly related to CBM. Additionally, the INT standards are outside the scope of this effort as defined by its SAR. Until such time as a SAR is submitted to move the requirements from this standard to another set of standards, we believe it is more important to have the requirements approved and enforceable.</p>
<p>Response: Please see in-line responses.</p>	
<p>American Transmission Company</p>	<ol style="list-style-type: none"> 1. Due to the Midwest ISO methodology of calculating CBM in the short-term (1 year) and GCIR in the long-term, we believe that R6 should be changed to include: "GCIR for each designated area to be used for future transmission planning." and add the words "that maintains CBM" after "the Transmission Planner" 2. R6.1 should include "CBM and GCIR values shall reflect consideration of each of the following if available". 3. R6.3 should include "Entities that do not utilize a predetermined CBM value in their respective planning process shall describe in their CBMID how the GCIR is calculated for each area and how the GCIR is used to calculate CBM values for ATC paths or Flowgates for selling transmission service." <p>Response: The SDT interprets this comment to mean that ATC believes that planning may utilize a GCIR value rather than a specific path-based CBM. The SDT has modified measure M6 to address this concern by adding the following sentence: "Inclusion of GCIR based on R6.1 and R6.2 within the transmission base case meets this requirement." Regarding the addition of the phrase "that maintains CBM," the SDT has already included this language in the applicability section of the standard, so it is not required in R6.</p> <ol style="list-style-type: none"> 4. R8 should include "Less than 31 calendar days after the establishment of CBM or GCIR, the Transmission Planner shall notify all the Load-Serving Entities and Resource Planners that determined they had a need for GCIR on the system being planned by the Transmission Planner of the amount of CBM set aside or the GCIR required to meet their need." <p>Response: the SDT believes that entities will need to convert GCIR into CBM in order to communicate it back to entities that requested it. Accordingly, the SDT does not believe changes to the requirement are needed.</p> <ol style="list-style-type: none"> 5. Change the wording in 1.3 Data Retention to: "The Compliance Enforcement Authority shall keep the last

Individual/Group	Question 6 Comments:
	<p>audit records and all subsequent requested and submitted audit records."</p> <p>Response: The SDT has modified the language to read as follows: "The Compliance Enforcement Authority shall keep the last audit records and all requested and subsequently submitted audit records."</p>
<p>Response: Please see in-line responses.</p>	
<p>Bonneville Power Administration</p>	<p>How would a generator in a neighboring Balancing Authority (or control area) provide the CBM due to a sudden generation outage in the host control area (or BA area) where the outage occurred? The CBM would be provided after the TRM and has been established as a reliability requirement by an LSE. The ATC DT should explain how this standard ensures that an LSE can replace the lost generation from a neighboring BA.</p> <p>Response: This standard does not ensure that an LSE can replace the lost generation from a neighboring BA. It is intended to ensure that an LSE can import on its host system to replace that generation. All arrangements outside the host system should be managed by the entity needing the energy unless delegated to others.</p> <p>New Section A.5. Effective date: On the third line, "become" should be "becomes" that is unless they intend to pluralize standard to be standards.</p> <p>Response: The SDT has corrected the language as suggested.</p> <p>CBM is a scheduled transmission reservation that is implemented following the expiration of the TRM. (TRM is unscheduled transmission capacity that can be used to implement emergency operations up to 59 minutes.)</p> <p>Response: CBM is not a scheduled transmission reservation. CBM is a transmission margin set aside for potential future uses to import energy during an EEA2. The SDT does not agree that Reserves and the use of CBM are necessarily linked as the commenter seems to suggest.</p> <p>Would like to suggest that that the scope of Project 2009-09, a Resource Adequacy Assessments Standard, which is slated for development in 2009, be enlarged to include aspects of MOD-004 that relate to defining the four analyses upon which the GCIR determination is based in greater detail. Although we agree that any one of these analyses is appropriate in calculating GCIR, we believe that these analyses need to be defined in greater detail in order to achieve the stated purpose of the standard. The stated purpose of this standard is: "To promote the consistent and reliable calculation, verification, preservation, and use of Capacity Benefit Margin (CBM) to support analysis and system operations." The standard also states that the determination of Generation Capability Import Requirement (GCIR), which is the basis for the CBM request, can be calculated using any of the following analyses: (1) Loss of Load Expectation (LOLE) studies, (2) Loss of Load Probability (LOLP) studies, (3) Deterministic risk-analysis studies and (4) Reserve margin or resource adequacy</p>

Individual/Group	Question 6 Comments:
	<p>requirements established by other entities, such as municipalities, state commissions, regional transmission organizations, independent system operators, Regional Reliability.</p> <p>Response: The SDT suggests that the commenter submit a suggestion for inclusion in the development of NERC's Work Plan. Suggestions may be submitted through the Reliability Standards Suggestions and Comment Form: http://www.nerc.com/files/Standards_Input_Form_Final_2008June30.doc</p>
<p>Response: Please see in-line responses.</p>	