

Comment Form for SAR and Footnote 'b' in Project 2010-11: TPL Table 1 Order

Please **DO NOT** use this form to submit comments on the 2nd posting for Project 2010-11: TPL Table 1 Order. This comment form must be completed by **October 8, 2010**. This is a 30-day informal comment period. The drafting team will provide a summary response to the one question asked on the comment form, but will not provide an individual response to each comment submitted.

If you have questions please contact Ed Dobrowolski at ed.dobrowolski@nerc.net or by telephone at 609-947-3673.

Background Information Second Posting for Project 2010-11: TPL Table 1 Order

The 2nd posting is part of the continuing effort to address FERC Orders which required the ERO to clarify TPL-002-0, Table 1 - footnote 'b', regarding the planned or controlled interruption of electric supply where a single contingency occurs on a transmission system.

The 2nd posting is the result of the SDT review of the written comments received from industry on the initial ballot and the inputs received from the Technical Conference of August 10, 2010.

While the initial ballot results came close to the required approval percentage, it was clear to the SDT from the cited inputs that there were still a number of concerns with the proposed clarification. In particular, entities were concerned that the proposal was still unclear and too limiting on the proposed conditions when load could be interrupted. Also, there were numerous concerns raised on jurisdictional issues with regard to interrupting demand. In short, the needed clarification hadn't been achieved. Therefore, the SDT continued discussions on different alternatives to address the needed clarification. This led the SDT to focus on identifying constraining parameters such as the amount of demand that could be interrupted, annual amount of exposure, etc.

In order to receive additional industry feedback on the new approach, a Technical Conference was held on August 10, 2010 to address four specific questions arising from the FERC June 11, 2010 clarification order. These 4 questions were:

1. Under what circumstances do you believe the existing footnote 'b' allows an entity to plan to shed non-consequential firm load for a single contingency (Category B)? Please provide specific information to the extent possible.
2. The June 11th order from FERC suggested that planning to shed non-consequential firm load for a single contingency (Category B) could be applied at the fringes of a system. Is this limitation appropriate and if so, please define it? What other specific criteria could be applied to limit the planned use of non-consequential firm load loss for a single contingency (Category B)?
3. If footnote 'b' were re-stated such that there would be no planned loss of non-consequential firm load allowed for a single contingency event (Category B), what changes to your transmission plan would be required? Please quantify your response to the extent possible.
4. The June 11th order from FERC suggested that planning to shed non-consequential firm load for a single contingency (Category B) could be handled on a case-by-case basis with affected entities asking for an exception from the ERO. Could you support such a

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process? If your response is no, then what process would you suggest? If your response is yes, then what technical criteria should be developed to identify and evaluate cases?

In summary, the SDT heard that:

- Industry feels that interrupting non-consequential load was appropriate in certain limited circumstances and that such usage was not widespread.
- Use of the term 'fringes' was seen as problematic and application at the 'fringes' could possibly be discriminatory.
- If interruption of non-consequential load was not allowed, such a policy would result in significant costs to customers for limited benefits.
- A case-by-case exception process that required ERO or FERC approval was not viewed as an acceptable approach due to possible inconsistencies in approach and potential unacceptable delays.

The SDT took all of these inputs and returned to their deliberations attempting to leverage the existing work with the industry comments to develop an acceptable clarification to footnote 'b'. This led to the approach shown in the 2nd posting where the SDT has taken the concept of allowing interruption of demand without numerical constraints in an open and transparent stakeholder process to review and accept such plans. This open and transparent stakeholder process is seen as an enhancement of existing entity processes without the problems associated with the ERO or FERC case-by-case exception process.

The SDT believes that this approach addresses industry concerns and FERC Order 693 directives (and subsequent orders) concerning clarification to footnote 'b' in a way that is an equal and effective method and that likely will be acceptable to all concerned parties.

The 2nd posting provides a revision to TPL Table 1 footnote 'b' to provide clarity to industry with regard to the planned or controlled interruption of electric supply where a single contingency occurs on a transmission system. The referenced table appears in TPL-001, TPL-002, TPL-003, and TPL-004 so while the FERC Order was for TPL-002, the change is reflected in all 4 standards.

You do not have to answer all questions. Enter All Comments in Simple Text Format.

Insert a "check" mark in the appropriate boxes by double-clicking the gray areas.

1. The SDT is proposing a revision to footnote 'b' in the TPL tables to comply with FERC Orders which required the ERO to clarify TPL-002-0, Table 1 - footnote 'b', regarding the planned or controlled interruption of electric supply where a single contingency occurs on a transmission system. Do you agree with the proposed changes and if not, please provide specific reasons for your disagreement.

Yes

No

Comments: The revised draft is a significant improvement over the first draft. However, we suggest the following minor changes:

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1. The criterion of “adversely affect overall BES reliability” is undefined and maybe subject to a wide range of interpretation by Transmission Planners, Planning Authorities, and auditors. So, we suggest adding the words “as defined by each Transmission Planner or Planning Authority”.
2. The term of “firm transfers” is undefined and maybe subject to a wide range of interpretation by Transmission Planners, Planning Authorities, and auditors. So, we suggest establishing a definition for the term, reverting to the “Firm Transmission Service” term, or using another appropriate defined term.