

153 FERC ¶ 61,015
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Philip D. Moeller, Cheryl A. LaFleur,
Tony Clark, and Colette D. Honorable.

North American Electric Reliability Corporation

Docket No. RR15-15-000

ORDER APPROVING AMENDMENTS TO REGIONAL ENTITY BYLAWS

(Issued October 5, 2015)

1. On August 18, 2015, North American Electric Reliability Corporation (NERC) submitted a petition requesting approval of revisions to the bylaws of Texas Reliability Entity, Inc. (Texas RE). Pursuant to section 215 of the Federal Power Act (FPA), we approve the proposed revisions, as discussed below.¹

I. Proposed Amendments to Texas RE Bylaws

2. NERC states that the proposed amendments to the Texas RE bylaws reflect the elimination of the purchasing-selling entity function and the potential elimination of the load-serving entity function from the NERC functional model.² Additionally, NERC

¹ 16 U.S.C § 824o (2012).

² On December 11, 2014, NERC submitted a petition seeking approval of proposed revisions to the NERC Rules of Procedure to implement NERC's Risk-Based Registration (RBR) initiative to ensure that the right entities are subject to the right set of applicable Reliability Standards, using a consistent approach to risk assessment and registration across the Electric Reliability Organization. As part of this initiative, NERC proposed to eliminate the purchasing-selling entity and load-serving entity functional registration categories. The Commission conditionally approved the RBR initiative on March 19, 2015, agreeing with NERC's proposition to remove the purchasing-selling entity function from the registry process, and directing NERC to provide additional information regarding its proposal to remove load-serving entities from the NERC compliance registry to ensure there are no reliability gaps. *North American Electric Reliability Corporation*, 150 FERC ¶ 61,213 (2015).

states that the proposed amendments modify various provisions to improve procedures and consistency with other parts of the bylaws.³ Specifically, NERC proposes to amend section 4(f) of Article III to revise the description of the “load-serving and marketing” sector as follows:

(f) **Load-Serving and Marketing:** An entity that is ~~registered with NERC as a Load Serving Entity (LSE), a Purchasing-Selling Entity~~ secures wholesale transmission service or is engaged in the activity of buying and selling of wholesale electric power in the ERCOT region on a physical or financial basis, or qualifies under any newly defined NERC reliability function for demand response.

NERC states that because the Commission is no longer requiring purchasing-selling entities to register, and may stop requiring load-serving entities to register, Texas RE requests to update its bylaws to make it clear that these types of stakeholders may continue to participate as members of Texas RE’s load-serving and marketing sector, even if they are no longer required to be NERC registered entities.⁴ NERC also proposes amendments that revise the membership fee amount and certain processes of the member representatives committee, as well as implement other minor ministerial improvements to the bylaws.⁵

3. NERC requests expedited action to ensure that the proposed revisions to the load-serving and marketing sector description are in place during Texas RE’s annual membership drive, which is currently scheduled to begin in October 2015.⁶ According to NERC, this will ensure that the eligibility criteria for the Texas RE load-serving and marketing sector are in place so that industry stakeholders can continue to participate in the load-serving and marketing sector.

II. Notice of Filing

4. Notice of NERC’s filing was published in the *Federal Register*, 80 Fed. Reg. 51,797 (2015), with interventions and comments due on or before September 1, 2015. No interventions or comments were filed.

³ Petition at 5.

⁴ *Id.* at 6.

⁵ *Id.* at 4.

⁶ *Id.* at 7.

III. Commission Determination

5. Pursuant to section 215 of the FPA, we approve NERC's proposed revisions to the Texas RE bylaws. We agree with NERC that the revisions improve consistency with other parts of the bylaws and provide additional clarity. With regard to the revisions to the definition of "load-serving and marketing" we find that these changes are reasonable to ensure that the appropriate types of stakeholders may continue to participate as members of Texas RE's Load-Serving and Marketing sector, regardless of whether they are registered as NERC functional entities. The Commission determines that the revisions to the Texas RE bylaws are appropriate regardless of the outcome of the RBR initiative in Docket No. RR15-4-000.

The Commission orders:

The Commission hereby approves the revisions to the Texas RE bylaws, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.