

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southeastern Power Administration

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Docket No. RC08-1-000

**MOTION FOR EXTENSION OF TIME
OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION**

Pursuant to Rules 212 and 2008 of the Federal Energy Regulatory Commission's ("FERC" or the "Commission") Rules of Practice and Procedure, 18 C.F.R. § 385.212 and 385.2008 (2007), the North American Electric Reliability Corporation ("NERC") hereby submits a Motion for Extension of Time in the above-captioned proceeding. In an order issued on February 21, 2008, the Commission remanded to NERC a determination to place the Southeastern Power Administration ("SEPA") on the Compliance Registry as a Resource Planner and Transmission Operator.¹

The Commission required that NERC issue a revised registry determination, taking into consideration the Commission's guidance, within sixty (60) days of the February 21 Order, *i.e.*, April 21, 2008. By this motion, NERC requests that the Commission grant an additional 60-day extension to issue a revised registry determination. NERC has determined that it cannot complete a revised registry determination for SEPA by April 21, 2008. As explained below, NERC submits that good cause exists to grant waiver to and including June 20, 2008, to issue the revised registry determination. Furthermore, SEPA and SEPA Customers support this Motion for Extension of Time. In support of this motion, NERC states as follows:

¹ *Southeastern Power Administration*, 122 FERC ¶ 61,140 (2008) ("February 21 Order").

I. BACKGROUND

On April 10, 2007, NERC issued to SEPA a Notice of Listing in the NERC Compliance Registry which informed SEPA of its registration as a Balancing Authority, Purchasing-Selling Entity, Resource Planner, Transmission Operator, and as a Transmission Service Provider. In the Notice of Listing, NERC informed SEPA of its right to challenge the registry determination and that SEPA could also contact the applicable regional entity (*i.e.*, SERC Reliability Corporation or “SERC”) to ensure that an error in the registry determination was not made. By emails dated April 18, April 19 and May 1, 2007, SEPA requested that SERC remove the Resource Planner, Transmission Operator, and Transmission Service Provider functions from SEPA’s registration. Among other things, SEPA argued that it did not have any control over transmission facilities owned by the Army Corps of Engineers (“Corps of Engineers”) and that it could not be the Transmission Operator or Resource Planner.

By letter dated May 15, 2007, SERC found that it would remove the registration of SEPA as a Transmission Service Provider, but that SEPA would remain registered as a Resource Planner and Transmission Operator. In its decision, SERC explained that documented evidence showed that SEPA is properly designated as a Transmission Operator because it is the entity responsible for the reliability of certain transmission elements and directs the operations of these transmission facilities. SERC explained that SEPA’s registration as a Resource Planner was supported by its annual development of long-term plans for the resource adequacy of preference customer allocations and submission of such information to SERC as capacity purchases and sales, which are then used by other Resource Planners in the ultimate customer demand and energy requirements of the Region.

On June 5, 2007 SEPA appealed SERC’s determination to register it as a Transmission Operator and Resource Planner to NERC. On September 25, 2007, the NERC Board of Trustees

Compliance Committee found that SEPA was properly registered as a Transmission Operator and Resource Planner. On October 15, 2007, pursuant to the Commission's rules of practice and procedure, SEPA appealed NERC's decision to the Commission.

In the February 21 Order, the Commission remanded the determination to register SEPA for the functions of Resource Planner and Transmission Operator on the NERC Compliance Registry. The Commission found that the record was unclear regarding SEPA's relationship with the Corps of Engineers and SEPA's function as a Resource Planner. The Commission directed NERC to consider on remand certain issues, including: (i) whether, in light of their agreements, SEPA or the Corps of Engineers should be designated as the Transmission Operator;² (ii) whether NERC should remand to SERC to work with the Corps of Engineers and SEPA on a joint registration arrangement;³ (iii) whether it is anomalous to register SEPA as the Transmission Operator in relation to certain Bulk-Power System facilities, yet not register a corresponding transmission owner;⁴ and (iv) whether SEPA or the SEPA Customers should be registered as Resource Planners.⁵ The Commission directed NERC to consider these issues and to submit, within 60 days of the date of the February 21 Order, a revised registration determination that addresses the Commission's concerns.

II. MOTION FOR EXTENSION OF TIME

NERC hereby respectfully moves for an extension of time of an additional sixty (60) days from April 21, 2008, to issue a revised registry determination. Although NERC and SERC have undertaken diligent efforts to comply with the February 21 Order, it will not be possible to issue a revised registry determination by April 21, 2008. The chief difficulties with meeting the April

² See February 21 Order at P 22-23.

³ See *id.* at P 24.

⁴ See *id.* at P 25.

⁵ See *id.* at P 26-27.

21 date are due to obtaining the information to further develop the record and completing the analyses that are necessary for a new registry determination consistent with the considerations articulated by the Commission.

The Commission expressed concern in the February 21 Order that the record in this proceeding is unclear as to the relationship between SEPA and the Corps of Engineers and the functioning of SEPA as a Resource Planner. To further develop the record, SERC has requested information from SEPA and the Corps of Engineers to identify the scope of transmission facilities covered by the registration criteria within the areas of responsibility of SEPA and the Corps of Engineers. SERC has also requested that SEPA and the Corps of Engineers identify the owner and operator of each listed transmission facility. Finally, SERC requested that SEPA and the Corps of Engineers provide copies of the memorandums and other agreements governing their relationship. SERC is still in the process of receiving this information from SEPA and the Corps of Engineers.

NERC and SERC are also currently in the process of obtaining the information necessary to make a determination on whether SEPA, the SEPA Customers, or other entities should be registered as Resource Planners. Pursuant to the NERC *Statement of Compliance Registry Criteria (Rev 4.0)*, an entity should be registered as a Resource Planner if it develops a long-term plan for the resource adequacy of specific loads within a Planning Authority area.⁶ SERC has distributed requests for information to the SEPA Customers in order to identify the entities that perform the Resource Planner function for each SEPA Customer if, as the SEPA Customers claim, SEPA does not have the responsibility to plan for their specific loads and to determine the adequacy of resources of those loads. In particular, SERC has requested that each SEPA load

⁶ See NERC *Statement of Compliance Registry Criteria* at p. 5, available at: ftp://www.nerc.com/pub/sys/all_updl/ero/Statement_of_Compliance_Registry_Criteria_V4-0.pdf.

customer identity the entity that performs the Resource Planner function for their load. As the Commission is aware, the SEPA customer group consists of 238 rural electric cooperatives and municipally owned electric systems. Due to the sheer number of SEPA's customers, SERC has not had sufficient time to collect and analyze the responses of each of the SEPA customers and confirm the identity of the appropriate entity to register as the Resource Planner.

Finally, consistent with the Commission's guidance, NERC has instructed SERC to work with SEPA to determine whether it is appropriate and feasible to use the joint registration organization process for SEPA and the Corps of Engineers in connection with the Resource Planner and Transmission Operator functions. At this time, SERC is continuing to explore the possibility of using the joint registration organization for SEPA and the Corps of Engineers, but no resolution has been reached. NERC expects that the appropriateness of a joint registration organization in this instance will, in part, be dependent upon the findings made with respect to the other issues mentioned above, *e.g.*, the assets at issue, the extent of the relationship between SEPA and the Corps of Engineers, and the functions performed by SEPA's customers.

Given these circumstances, NERC submits that good cause exists to grant an extension of time of 60 days to issue a revised registry determination. An additional 60 days will permit SERC to complete its information gathering in order to develop the record, and for NERC to consider this information and issue a revised determination consistent with the Commission's direction.

III. CONCLUSION

WHEREFORE, in consideration of the foregoing, NERC respectfully requests that the Commission grant an extension of time of 60 days to and including June 20, 2008, for issuance of a revised registry determination.

Respectfully submitted,

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April 16, 2008

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 16th day of April, 2008.

/s/ Rebecca J. Michael

Rebecca J. Michael

*Attorney for North American Electric
Reliability Corporation*