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

**MANDATORY RELIABILITY)
STANDARDS FOR THE)
CALCULATION OF AVAILABLE)
TRANSFER CAPABILITY,)
CAPACITY BENEFIT MARGINS,)
TRANSMISSION RELIABILITY)
MARGINS, TOTAL TRANSFER)
CAPABILITY, AND EXISTING)
TRANSMISSION COMMITMENTS)
AND MANDATORY STANDARDS)
FOR THE BULK POWER SYSTEM)**

Docket No. RM08-19-000

**COMMENTS OF THE NORTH AMERICAN ELECTRIC RELIABILITY
CORPORATION REGARDING THE REQUEST FOR EXTENSION OF
COMPLIANCE DATE AND REQUEST FOR EXPEDITED CONSIDERATION
OF THE WESTCONNECT UTILITIES**

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January 14, 2011

I. INTRODUCTION

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") Rules of Practice and Procedure, 19 C.F.R. §§385.212 and 385.213 (2010), the North American Electric Reliability Corporation ("NERC") hereby submits this Motion for Leave to File Reply Comments and Reply Comments in the above captioned proceeding. NERC is filing these reply comments in response to WestConnect Utilities' Request for Extension of Compliance Date and Request for Expedited Consideration filed with FERC on December 30, 2010 in Docket No. RM08-19-000. In that docket, FERC issued an Order approving NERC's Modeling, Data and Analysis ("MOD") Reliability Standards on November 24, 2009, that set the implementation date for compliance with the MOD standards of April 1, 2011.¹

The WestConnect Utilities filed a request for an eighteen-month extension of time to comply with the MOD standards, stating that, due to circumstances unforeseen until the studies were conducted to comply with the standards, the implementation of these standards will cause significant reduction in Total Transfer Capability ("TTC") and Available Transfer Capability ("ATC") and the inability to deliver resources to serve load unless additional measures are put in place. NERC hereby provides these Reply Comments to address the WestConnect Utilities requested extension of time.

¹ *Mandatory Reliability Standards for the Calculation of Available Transfer Capability, Capacity Benefit Margins, Transmission Reliability Margins, Total Transfer Capability, and Existing Transmission Commitments and Mandatory Reliability Standards for the Bulk-Power System*, 129 FERC ¶61,155 (November 24, 2009). The MOD standards approved in the November 24, 2009 Order are: MOD-001-1 (Available Transfer Capability) and the associated methodology standards (MOD-028-1, MOD-029-1, and MOD-030-2)

II. NOTICES AND COMMUNICATIONS

Notices and communications with respect to this filing may be addressed to:

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*Persons to be included on the
Commission’s service list are indicated
with an asterisk.

III. MOTION FOR LEAVE TO FILE REPLY COMMENTS

NERC submits that the acceptance of these reply comments at this point in this proceeding will assist the Commission in its decision-making process by clarifying the issues under consideration and by helping to develop a complete and accurate record in this proceeding. While the Commission’s rules generally do not permit the filing of reply comments unless otherwise permitted by the Commission,² the Commission has granted motions to leave to file such responses if they will clarify issues in dispute, ensure a complete and accurate record, or otherwise provide information to assist the Commission in its decision-making process.³

² See 18 C.F.R. §385.213(a)(2) (2010).

³ *San Diego Gas & Electric v. Sellers of Energy and Ancillary Services*, 108 FERC ¶ 61,219, at P14, n. 7 (2004) (answer was accepted as it “provided information that assisted [FERC in its] decision-making process”); *see also Michigan Electric Transmission Co.*, 106 FERC ¶ 61,064, at P 3 (2004) (the permitted answer “provides information that clarifies the issues”); *North American Electric Reliability Corporation, Order Certifying NERC as the Electric Reliability Organization and Ordering Compliance Filing*, 116 FERC ¶ 61,062, at P 24 (2006) (reply comments of NERC and others accepted “because they have provided information that assisted us in our decision making process”); *North American Electric Reliability Corporation, Order Conditionally Accepting 2007 Business Plan and Budget of the North American Electric Reliability Corporation, Approving Assessments to Fund Budgets and*

NERC's Reply Comments will help clarify certain matters regarding the appropriate time for the Commission to handle issues related to compliance of NERC Reliability Standards now before the Commission in this docket because of comments raised by the WestConnect Utilities. Additionally, NERC's Reply Comments will provide information that will assist the Commission in its decision-making process. Therefore, NERC requests permission to submit these Reply Comments.

IV. COMMENTS

NERC understands that the WestConnect utilities have concerns related to their implementation of the MOD standards that need to be considered, and further understands that many of the WestConnect Utilities participants have established relationships with the Commission with regard to matters appropriately considered under the auspices of Section 205 of the Federal Power Act. However, NERC does not believe that it is appropriate for questions related to compliance of Reliability Standards developed pursuant to Section 215 of the Federal Power Act to be handled initially at the Commission. Section 215(e)(1) of the Federal Power Act establishes the Electric Reliability Organization (ERO) as the enforcement authority that may impose penalties for violations of Reliability Standards approved by the Commission. While the Commission, under Section 215(e)(3) may take certain actions if the Commission finds that an entity is about to engage in any acts or practices that constitute or will constitute a violation of a Reliability Standard, NERC believes any such actions in this case would be premature.

Accordingly, NERC respectfully requests that the Commission dismiss WestConnect Utilities' Request for Extension to comply with the MOD Reliability Standards and direct those entities to work with NERC and WECC as the Compliance Enforcement Authority for the subject standards to develop an appropriate resolution to the WestConnect Utilities' concerns. NERC will work with the WestConnect utilities to determine the best approach for resolving their concerns moving forward.

Respectfully submitted,

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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 14th day of January, 2011.

/s/ Holly A. Hawkins
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