



November 17, 2008

VIA ELECTRONIC FILING

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

**Re: *North American Electric Reliability Corporation,*
Docket No. RM08-3-000**

Dear Ms. Bose:

The North American Electric Reliability Corporation (“NERC”) hereby submits this filing in compliance with paragraph 107 of the Federal Energy Regulatory Commission’s (“FERC” or the “Commission”) Order No. 716 (“Order”) that required NERC to submit a timeline for developing and filing a modification to Requirement R9.3.5 of Reliability Standard NUC-001-1 — Nuclear Plant Interface Coordination that the Commission approved in the Order. NERC believes this filing fully satisfies the obligation established in the directive.

NERC’s filing consists the following:

- This transmittal letter;
- A table of contents for the entire filing;

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Please contact the undersigned if you have any questions.

Respectfully submitted,

/s/ Rebecca J. Michael

Rebecca J. Michael

*Attorney for North American Electric
Reliability Corporation*

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

MANDATORY RELIABILITY STANDARDS) **Docket No. RM08-3-000**
FOR THE NUCLEAR PLANT INTERFACE)
COORDINATION)

**COMPLIANCE FILING OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION
IN RESPONSE TO PARAGRAPH 107 OF ORDER No. 716**

Rick Sergel
President and Chief Executive Officer
David N. Cook
Vice President and General Counsel
North American Electric Reliability
Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
david.cook@nerc.net

Rebecca J. Michael
Assistant General Counsel
North American Electric Reliability
Corporation
1120 G Street, N.W.
Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

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IN RESPONSE TO PARAGRAPH 107 OF ORDER 716**

I. INTRODUCTION

In its October 16, 2008 Order No. 716,¹ the Federal Energy Regulatory Commission (“FERC” or the “Commission”) directed the North American Reliability Corporation (“NERC”), to submit a timeline for developing and filing a modification to Requirement R9.3.5 within 30 days from the date of the Order No. 716.² This filing provides the timeline for development of the modification to Requirement R9.3.5 as directed by the Commission and satisfies the requirement imposed in Paragraph 107 of Order No. 716.

In paragraph 107 of Order No. 716, the Commission states the following:

Based on the industry comments received, it appears that the references in Requirement R9.3.5 to coping times for station blackouts and restoration of off-site power are ambiguous — insofar as commenters suggest that the relationship between the two issues is not clear, and thus, is not adequately addressed as presented in Requirement R9.3.5. Therefore, we direct the ERO to modify Requirement 9.3.5 to clarify references to coping times and off-site power restoration to address the concerns raised in the comments through its Reliability Standards development process. This approach permits a full vetting of new suggestions raised by commenters in NOPR comments and encourages interested entities to participate in the ERO Reliability Standards development process rather than wait to express their views until a proposed new or modified Reliability Standard

¹ *Mandatory Reliability Standard for Nuclear Plant Interface Coordination*, (“Order No. 716”), 125 FERC ¶ 61,065.

² Order No. 716 at P 107.

is filed with the Commission.[] We agree with commenters that the provision is inartfully drafted and needs to be clarified; however, there does not appear to be any reason that parties to an interface agreement should not coordinate concerning both issues as an interim measure. The Commission directs NERC to develop a modification to Requirement R9.3.5, as discussed above. In addition, to ensure the matter is addressed expeditiously, we direct NERC to submit a timeline for developing and filing the modification as a compliance filing to be made within 30 days of the date of this Final Rule.

II. NOTICES AND COMMUNICATIONS

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

Rick Sergel
President and Chief Executive Officer
David N. Cook*
Vice President and General Counsel
North American Electric Reliability Corporation
116-390 Village Boulevard
Princeton, NJ 08540-5721
(609) 452-8060
(609) 452-9550 – facsimile
david.cook@nerc.net

Rebecca J. Michael*
Assistant General Counsel
North American Electric Reliability
Corporation
1120 G Street, N.W.
Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

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

III. TIMELINE FOR DEVELOPING MODIFICATION TO REQUIREMENT R9.3.5 of NUC-001-1 – NUCLEAR PLANT INTERFACE COORDINATION

Background

The Commission noted in Order No. 716 that a number of comments submitted in response to the Notice of Proposed Rulemaking (“NOPR”) led to the identification of an ambiguity in Requirement R9.3.5 that was unanticipated in the NOPR. Requirement R9 establishes a minimum set of elements to be addressed in interface agreements between

Nuclear Plant Generator Operator and Transmission Entities regarding Nuclear Plant Interface Requirements. Requirement R9.3.5 specifically states that the operations and maintenance coordination elements should include “Provision to consider nuclear plant coping times required by the NPLRs [nuclear plant licensing requirements] and their relation to the coordination of grid and nuclear plant restoration following a nuclear plant loss of Off-site Power.”

Commenters indicated that two distinct events in nuclear power plant design and license conditions, coping times for station blackouts and restoration of off-site power, are inappropriately commingled in Requirement R9.3.5 and need clarity. The Commission agreed and directed NERC to develop a timeline for this modification.

Timeline for Developing and Filing Modification to Requirement R9.3.5

NERC will process this modification using the Commission-approved *Reliability Standards Development Procedure*, Version 6.1 currently included as Appendix 3A in NERC’s Rules of Procedure. This procedure requires the submission of a standards authorization request, the assignment of a standard drafting team, development of a modification to Requirement R9.3.5, industry stakeholder vetting, determination of consensus through balloting, NERC Board of Trustees approval, and filing with appropriate regulatory authorities in the United States and Canada. NERC will begin this process through submission of a standards authorization request to its Standards Committee at its December, 2008 meeting. NERC anticipates that, in order to afford the “full vetting of new suggestions raised by commenters in the NOPR comments” as expressed by the Commission in Paragraph 107 of the Order, eight months will be required to develop and file the proposed modification to Requirement R9.3.5 from the

time of the request to the Standards Committee if a single industry comment period is required during the development. Alternatively, eleven months will be needed to complete the modification if two industry comment periods are necessary. Accordingly, NERC expects to file the directed modification to Requirement R9.3.5 with the Commission by August 15, 2009 (one industry comment period) or by November 15, 2009 (two industry comment periods).

NERC notes that it will soon file its updated Reliability Standards Development Plan: 2009-2011 (“Plan”) with the Commission on an informational basis. The Plan, approved by the NERC Board of Trustees on October 29, 2008, includes 39 projects that NERC expects to initiate and/or complete in the upcoming three year period. The project that is the subject of this filing was not contemplated in the Plan. Accordingly, NERC will need to evaluate the impact of the inclusion of the project on the work already included in the plan to be filed as this unanticipated project may result in an adjustment to the project staging or timelines of proposed projects in the Plan. NERC will advise the Commission on an exception basis if any changes to the Plan are identified as a result of its evaluation of the impact of the project to modify Requirement R9.3.5 as discussed in this filing.

IV. CONCLUSION

The North American Electric Reliability Corporation respectfully requests that the Commission accept this compliance filing submitted in response to the Commission's directive contained in paragraph 107 of Order No. 716 to submit a timeline for developing and filing a modification to Requirement R9.3.5 of NUC-001-1 – Nuclear Plant Interface Coordination.

Respectfully submitted,

/s/ Rebecca J. Michael

Rebecca J. Michael
Assistant General Counsel
North American Electric Reliability
Corporation
1120 G Street, N.W., Suite 990
Washington, D.C. 20005-3801
(202) 393-3998
(202) 393-3955 – facsimile
rebecca.michael@nerc.net

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President and Chief Executive Officer
David N. Cook
Vice President and General Counsel
North American Electric Reliability Corporation
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Princeton, NJ 08540-5721
(609) 452-8060
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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 17th day of November, 2008.

/s/ Rebecca J. Michael _____
Rebecca J. Michael

*Attorney for North American Electric
Reliability Corporation*