

140 FERC ¶ 61,101
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris, and
Cheryl A. LaFleur.

Transmission Planning Reliability
Standards

Docket No. RM11-18-001

ORDER ON RECONSIDERATION

(Issued August 2, 2012)

1. On April 19, 2012, the Commission issued a Final Rule remanding a proposal by the North American Electric Reliability Corporation (NERC) to modify a provision in Transmission Planning Reliability Standard TPL-002-0b that allows for planned load shed after a single contingency provided that the plan is documented and alternatives are considered in an open and transparent stakeholder process.¹ The Final Rule found that the proposed provision was vague, unenforceable and not responsive to the previous Commission directives on this matter. Further, in the Final Rule, the Commission directed NERC to utilize its Expedited Standards Development Process to develop timely modifications in response to the remand. NERC requests reconsideration, or alternatively rehearing, of the Final Rule with respect to the requirement that NERC use the Expedited Standards Development Process to develop responsive modifications to footnote ‘b’ of the Reliability Standard. As discussed below, we grant NERC’s request for reconsideration.

Background

2. NERC’s Rules of Procedure provide an Expedited Reliability Standards Development Process to develop a new or modified Reliability Standard “under specific time constraints (such as to meet a time constrained regulatory directive) or to meet an urgent reliability issue such that there isn’t sufficient time to follow all the steps in the

¹ *Transmission Planning Reliability Standards*, Order No. 762, 139 FERC ¶ 61,060 (April 19, 2012).

normal Reliability Standards development process.”² Pursuant to this process, the NERC Standards Committee is authorized to shorten comment periods, shorten ballot windows and take other action to expedite the development process.³ NERC’s Rules of Procedure also provide that, subsequent to NERC Board of Trustee (Board) approval of a Reliability Standard through the expedited process, the standard must be (1) made permanent through the “regular” standards development process, (2) revised or replaced within two years, or (3) withdrawn within two years. According to the NERC Rules, abbreviating certain comment periods or ballot periods violates the accreditation requirements of the American National Standards Institute (ANSI), and the additional process “demonstrate[s] NERC’s commitment to meet ANSI’s accreditation requirements.”⁴

3. In the Final Rule, the Commission urged NERC to timely develop an appropriate modification to footnote ‘b’ and required that NERC:

deploy its Expedited Reliability Standards Development Process to quickly respond to the remand. As the Commission noted in previous orders, the use of planned or controlled load interruption is a fundamental reliability issue and, certainty regarding the loss of non-consequential load for a single contingency event is warranted. Thus, using the Expedited Standards Development Process will more rapidly bring needed certainty to this fundamental reliability issue.⁵

NERC Petition

4. In its May 21, 2012 petition, NERC requests that the Commission grant reconsideration, or in the alternative rehearing, of the Final Rule requirement to formally invoke the Expedited Standards Development Process. NERC states that, because the Expedited Standards Development Process will not result in a permanent fix to the standard, NERC requests that the Commission reconsider its directive and allow NERC to modify footnote ‘b’ in response to the Final Rule using an “aggressive schedule,” but without formally invoking the Expedited Standards Development Process. NERC explains that, because the Expedited Standards Development Process requires additional action after a standard is approved by the NERC Board, “NERC believes that going

² See NERC Rules of Procedure, Appendix 3A, *Standards Process Manual*, at 34 (effective January 31, 2012).

³ *Id.*

⁴ *Id.* at 34, n.27.

⁵ Order No. 762, 139 FERC ¶ 61,060 at P 21 (footnote omitted),

through these extra process steps ... one year after responding to the remand is unnecessary....”⁶ Thus, according to NERC, “invoking the Expedited Standards Development Process will only slow down NERC’s ability to develop a permanent solution to the footnote.”⁷

5. As an alternative, NERC offers to fix footnote ‘b’ and deliver a new footnote ‘b’ to the NERC Board for a vote at its February 2013 meeting. This schedule will give NERC the ability to process footnote ‘b’ revisions using its regular standards development process, but with some possible shortening of comment periods where the process so allows, while working to obtain industry consensus on a permanent solution to footnote ‘b.’ NERC states that it understands the urgency in the Final Rule of producing revisions to footnote ‘b’ that address the use of planned or controlled load interruption for single contingency events in response to the order. NERC, therefore, requests that the Commission withdraw its directive to formally invoke the Expedited Standards Development Process, and “instead allow NERC to respond to the [Final Rule] using an aggressive schedule that will deliver a footnote ‘b’ responsive to Order No. 762 to the NERC Board of Trustees for consideration at the February 2013 meeting.”⁸

Discussion

6. We grant NERC’s request for reconsideration. In Order No. 762, the Commission directed NERC to deploy its Expedited Standards Development Process as a means to develop a timely response to the remand.⁹ NERC represents that, without utilizing the expedited process, it will nonetheless use an aggressive schedule “that will deliver a footnote responsive to Order No. 762 to the NERC Board of Trustees for consideration at the February 2013 meeting.”¹⁰ According to NERC, this will result in the more timely implementation of a permanent fix, as it will not require additional action required by the Expedited Standards Development Process. We will not require that NERC specifically invoke the Expedited Standards Development Process to develop a modification to footnote ‘b’ on remand. Based on NERC’s commitment to deliver a new footnote ‘b’ to the NERC Board for a vote at its February 2013 meeting, NERC’s request for reconsideration is granted.

⁶ NERC Petition at 3.

⁷ *Id.* at 4.

⁸ *Id.*

⁹ Order No. 762, 139 FERC ¶ 61,060 at P 21.

¹⁰ NERC Petition at 4.

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The Commission orders:

The Commission hereby grants the request for reconsideration, as discussed in the body of this order.

By the Commission. Commissioner Clark is not participating.

(S E A L)

Kimberly D. Bose,
Secretary.

Document Content(s)

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