



**NAESB Coordinate Interchange
Business Practices Task Force
(CIBPTF)
Update**

ESS Meeting
New Orleans, La.
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NAESB/NERC Policy 3 Coordination

- ◆ Joint meeting held in October
- ◆ Discussed Policy 3 to decide what is:
 - 1) Market responsibility
 - 2) Reliability Responsibility
 - 3) Both or others

NAESB/NERC Policy 3 Coordination



Two questions the group needed to answer:

1. What is the purpose of Policy 3
2. What are the reliability aspects of Policy 3?
 - ◆ Basic answer: the reliability purpose for Policy 3 is the submission of reliability data! The NERC CI SDT stated providing that data is the primary issue.
 - ◆ If the Standard takes care of the data, then reliability in Policy 3 is essentially covered. NAESB will develop Business Practices and possibly the “TOOLS” for providing this data.

NAESB/NERC Policy 3 Coordination Meeting

“Take Aways” from the Meeting:

- Tagging is a market function and will be handled by NAESB (except for IDC).
- NERC to deal only with reliability related items
- NAESB will deal with Market functions
- Reliability regions will be called to fill in the rest

NAESB Coordinate Interchange Business Practices Task Force

◆ Guiding principals

- Provide necessary business arrangements to the Interchange Authority (IA) for interchange.
 - ◆ All energy purchase, energy sale, and transmission service arrangements necessary to implement the Request for Interchange (RFI) shall be performed prior to submitting RFI.
- After receiving the RFI, IA will utilize NERC Coordinate interchange standard to transition Arranged interchange to Confirmed interchange

NAESB Coordinate Interchange Business Practices Task Force (CIBPTF)

◆ Guiding Principals

- Utilize NERC definitions wherever possible
- Will utilize E-Tag as method of providing data (until future replacement is developed).
- Stay with NERC Functional Model paradigm

Examples of Draft Standards

◆ RFI Standard 1.0

- All requests to implement an Interchange Transaction shall be accomplished by the submission of the “Request for Interchange”, RFI, to the Interchange Authority (IA).

◆ RFI Standard 2.0

- While any Purchasing Selling Entity (PSE) may act as the “Requesting PSE”, it shall be the responsibility of the load-serving Purchasing Selling Entity (PSE), or its designee, to ensure that an approved RFI has been submitted to the IA.

Examples of Draft Standards (con't)

◆ **RFI Standard 3.0**

- A completed RFI shall contain the “required” Market and Reliability information specified in the most current version of the NAESB RFI Data Sheet.

◆ **RFI Standard 4.0**

- All requests for approval/validation of the RFI by the IA during the Arranged Interchange Period shall be assessed in accordance with the most current version of the NAESB Submission & Response Timetable. The results of that assessment shall be promptly communicated back to the Requesting PSE.

Examples of Draft Standards (con't)

◆ RFI Standard

- On behalf of the Requesting PSE, the IA shall distribute the RFI to all involved entities (e.g. TSP-for transmission reservations, BA-for ramping start/end times and rate, RA-reliability analysis) for approval prior to being confirmed and implemented in accordance with the NERC Coordinate Interchange Standard.

◆ RFI Standard

Default ramp rate of 10 minutes in Eastern Interconnection and 20 minute default rate in the Western.

◆ RFI Standard

- The submitting PSE shall be allowed to submit market corrections during the Arranged Interchange Period.

Next Steps

- ◆ Formally submitting the Standard to the ESS today.
- ◆ Review results of “comment” period and make needed adjustments.
- ◆ Post for a 30 day public comment period sometime this month.
- ◆ Submit to FERC for Approval.