



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

TO: NAESB WEQ SRS
FROM: Charles Yeung, Reliant
RE: Email Correspondence Re: NERC MSSCTF Conference Call held on 1/6/04
DATE: January 7, 2004

From: Bill Lohrman
Sent: Tuesday, January 06, 2004 3:19 PM
To: Curt Winterfeld (E-mail); Yeung, Charles
Subject: FW: NERC MSSCTF Conference Call - 1/6/04 at 3:30pm ET

-----Original Message-----

From: Bill Lohrman
Sent: Monday, January 05, 2004 7:53 PM
To: Scott Brown (E-mail)
Subject: FW: NERC MSSCTF Conference Call - 1/6/04 at 3:30pm ET

[Scott](#)

[Catching up with my inbox. See answers from Tim Gallagher, NERC Director of Standards, below.](#)

[Bill](#)

-----Original Message-----

From: Tim Gallagher
Sent: Monday, December 29, 2003 4:02 PM
To: Bill Lohrman
Subject: RE: NERC MSSCTF Conference Call - 1/6/04 at 3:30pm ET

[Bill, answers embedded in blue.](#)

-----Original Message-----

From: Bill Lohrman
Sent: Monday, December 29, 2003 3:48 PM
To: Tim Gallagher
Subject: FW: NERC MSSCTF Conference Call - 1/6/04 at 3:30pm ET

Tim,

Any insight to the questions below would be appreciated

Bill



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

-----Original Message-----

From: scott.brown@exeloncorp.com [<mailto:scott.brown@exeloncorp.com>]
Sent: Monday, December 29, 2003 3:47 PM
Subject: NERC MSSCTF Conference Call - 1/6/04 at 3:30pm ET

When: Tuesday, January 06, 2004 3:30 PM-4:30 PM (GMT-05:00) Eastern Time (US & Canada).

Where: Conference Call # - 877-785-4157; Passcode: 120712

~~*~*~*~*~*~*~*~*

IN ORDER TO ACCOMMODATE A LARGER GROUP I MOVED THIS CALL BACK TO 3:30PM ET. THIS WILL BE A WORKING CALL, SO IT IS IMPORTANT THAT MSSCTF MEMBERS PARTICIPATE, OTHERS ARE WELCOME TO MONITOR THE CALL IF YOU WOULD LIKE.

BELOW ARE 3 SETS OF QUESTIONS THAT THE NAESB SRS HAS GENERATED AND WE WILL DISCUSS DURING THE CALL. OUR GOAL WILL BE TO DETERMINE IF WE CAN DEVELOP RECOMMENDATIONS FOR THE MC OR ASSIGN ADDITIONAL INVESTIGATION ACTIONS.

Determine Facility Ratings and Operating Limits Standard

- ATC standard is embodied in a NERC Planning Standard today, will there be a NERC Organization Std to supercede this Standard?
- If so, will a new NERC trans-continental reliability standard on transmission capacity allow for the multitude of differences in the calculation methodology?
- Since it has been argued that ATC calculations are important for reliability and is not solely a market concern, is there a reliability concern that seams between ATC calculation areas be minimized? In other words, should ATC values at interfaces be consistent? What, if any, NERC efforts will address this concern? Since consistent ATC values at interfaces are important for the marketplace, will NERC seek guidance from NAESB on a business practice to complement a reliability standard?

The referenced standard does not include ATC or its associated margins. During the development of the standard, industry consensus was that ATC should not be addressed in this standard. A future proposal for such a standard is a possibility, but would have to be initiated by someone.

Balance Resources and Demand Standard

- SRS has been asked to investigate whether the NERC standard has established reliability limits that make economic sense.
- E.g. - Proposed AOM value is specified as 3X and seems to be an arbitrary non-financial based value.
- Are the values proposed in the standard the only possible values possible to ensure reliability? Can these values also be determined and established through some financial/economics based approach?
- Is NERC willing to allow for economic methodologies to determine these limits?



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com

Home Page: www.naesb.org

The Balance R&D standard is founded upon the need to maintain system frequency within acceptable bounds to preserve the reliability of the interconnections. 'Acceptable bounds' is something that needs to be researched and technically justified (the team is working on this). Certainly, if frequency exceeds or falls below some known levels, automatic load shedding or unit rejection will occur. NERC standards are intended to set reliability requirements while avoiding prescribing how to accomplish the desired objectives if possible. I am not sure what an economic methodology for determining acceptable frequency limits to ensure system reliability would be. Maybe someone more versed on this subject needs to discuss it. Raymond Vice leads the NERC drafting team.

Operate Within Interconnected Reliability Operating Limits Standard

- Since NERC does not propose market based procedures for operators to utilize as "Action Plans", is there a reliability concern that adjoining and synchronously interconnected Reliability Authority areas employ different methodologies in their "Action Plans" to reduce system overloads - particularly when market transactions cross RA areas or loop flows cross RA areas?

- If so, will NERC require a review of these market-based "Action Plans" to ensure reliable operations? Or how will NERC ensure that the "Action Plans" are enabled in a manner that ensures reliability of the interconnection?

This standard does not specify the manner in which exceeding IROLs must be mitigated, but rather requires that this be documented, understood, and implemented when necessary. A separate standard 'Coordinate Operations' requires RAs to share their security analysis, limits, methodologies, etc. Neither standard goes as far as to require a single regimented transmission management (like today's TLR).

This e-mail and any of its attachments may contain Exelon Corporation proprietary information, which is privileged, confidential, or subject to copyright belonging to the Exelon Corporation family of Companies. This e-mail is intended solely for the use of the individual or entity to which it is addressed. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution, copying, or action taken in relation to the contents of and attachments to this e-mail is strictly prohibited and may be unlawful. If you have received this e-mail in error, please notify the sender immediately and permanently delete the original and any copy of this e-mail and any printout. Thank You.
