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May 29, 2008

**VIA ELECTRONIC FILING**

Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

**Re: Electronic Tariff Filings, Docket No. RM01-5-000;**  
**Comments of ISO New England Inc.**

Dear Ms. Bose:

Transmitted electronically for filing in the above-referenced docket are the Comments of ISO New England Inc.

If there are any questions concerning this filing, please call me at (202) 661-2205.

Very truly yours,

*/s/ Howard H. Shafferman*

Howard H. Shafferman  
Counsel for  
ISO New England Inc.

Enclosure

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

**Electronic Tariff Filings**

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**Docket No. RM01-5-000**

**COMMENTS OF ISO NEW ENGLAND INC.**

Pursuant to the Supplemental Notice of Proposed Rulemaking (“NOPR”) issued by the Federal Energy Regulatory Commission (“Commission”) in this docket on April 17, 2008,<sup>1</sup> ISO New England Inc. (“ISO-NE”) submits the following comments on the Commission’s proposals for electronic tariff filings. In particular, ISO-NE submits comments on the issue of shared tariff rights and the appropriate period for utility implementation after the issuance of the final rule in this proceeding.

In summary, ISO-NE does not object to the Commission’s proposed option three for submitting shared tariffs so long as there are adequate access control measures in place at the Commission to prevent unauthorized tariff filings. ISO-NE also describes a process by which the Commission could enhance the security for submitting shared tariffs at the Commission’s web portal. Finally, ISO-NE requests that the Commission not establish a deadline for utilities’ implementation of electronic tariff filing that is any earlier than one year after issuance of the final rule.

**I. SHARED TARIFF RIGHTS BETWEEN ISO-NE AND ITS PARTICIPATING TRANSMISSION OWNERS (“PTOS”)**

New England has a “shared tariff” arrangement. In the New England region, ISO-NE and PTOs have specified rights under Section 205 of the Federal Power Act (“FPA”) to submit

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<sup>1</sup> *Electronic Tariff Filings*, Supplemental Notice of Proposed Rulemaking, 73 Fed. Reg. 23137 (April 29, 2008), 123 FERC ¶ 61,045 (2008) (the “NOPR”).

modifications to respective sections of the ISO-NE Transmission, Markets and Services Tariff (the “ISO-NE Tariff”). The allocation of these rights is addressed in the Transmission Operating Agreement between ISO-NE and the PTOs.

As indicated in the order conditionally approving ISO-NE as a regional transmission organization (“RTO”): (i) ISO-NE has exclusive Section 205 filing authority concerning the terms and conditions of the ISO-NE OATT (*i.e.*, Section II of the ISO-NE Tariff), any separate tariffs relating to regional transmission service, all market rules, and its own administrative tariff; (ii) the PTOs, acting individually, have the authority to submit ISO-NE OATT filings under Section 205 to establish and revise their own revenue requirements; the rates, terms and conditions for transmission service under the Transmission Owner’s Local Service Schedule; the rates or charges for the recovery of a TO’s investment in new transmission facilities; and the terms and conditions applicable to interconnection agreements; and (iii) the PTOs, acting jointly, have the authority to submit Section 205 filings to establish and revise the rates and charges for transmission service under the ISO-NE OATT and the rates, terms and conditions relating to incentive or performance-based rates.<sup>2</sup> Other transmission owners have Section 205 filing rights specified in other operating agreements with ISO-NE. Currently ten PTOs, nine Schedule 20A Service Providers, Maine Electric Power Company, Inc. and Cross-Sound Cable Company, LLC have either joint or exclusive Section 205 filing rights with respect to the ISO-NE OATT depending on the situation.

ISO-NE does not believe that the first two options proposed by the Commission are viable solutions to the shared tariff issue. The first option suggested by the Commission in its NOPR – that software be shared – is not a feasible solution. Sharing software would require that

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<sup>2</sup> See *ISO New England Inc.*, 106 FERC ¶ 61,280 at P 73 (2004).

the software and the master ISO-NE OATT document be open and available to access by PTOs and other transmission owners. ISO-NE believes that current information technology (“IT”) security mandates and standards prevent it from allowing outside entities access to its secured server, which would contain the master ISO-NE OATT.

The second option suggested by the Commission is that, as applied in New England, ISO-NE administer the shared tariff and make any ISO-NE OATT submissions on behalf of its PTOs and other transmission owners. ISO-NE finds that suggestion cost-prohibitive, as it currently does not have a budget for a tariff administrator for PTO revisions. Moreover, it is ISO-NE’s understanding that the PTOs and other transmission owners do not wish to relinquish their rights to submit tariff revisions themselves.

The third option proposed in the NOPR<sup>3</sup> is for each of the respective parties to make individual filings by sharing certain tariff and metadata among the parties with shared rights. This process would work by having, in the New England context, ISO-NE coordinate usage of the following information contained in the XML schema:

1. Company id;
2. Tariff id; and
3. Filing id.

In order to maintain the integrity of the ISO-NE OATT, ISO-NE must control and issue this information every time a PTO prepares to file a shared tariff submission. A PTO or other transmission owner would have to agree to request and use the ids issued by ISO-NE.

ISO-NE does not object to this means of submitting tariff filings so long as there are adequate access control measures in place at the Commission to prevent unauthorized tariff filings and there are no additional security requirements issued by the Commission, the North

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<sup>3</sup> NOPR, at P 22.

American Electric Reliability Corporation, or the Department of Homeland Security that would prevent this means of submitting shared tariff revisions.

While these proposals address ISO-NE's internal security and handling of tariff filings, ISO-NE believes that a further level of security should be in place at the web portal at the Commission for the submission of tariff filings. Currently, it appears that any e-tariff registered party will be authorized to make tariff filings. It does not appear that the Commission's design will check the contents of the tariff filing to ensure that the logged-in company is duly authorized to file tariff changes for the "company\_id" and "tariff\_id" contained in the filing. Under this scenario, any registered company could file a change to ISO-NE's tariff if it accidentally mistyped the "company\_id" and entered ISO-NE's id, instead of its own. Of course, this same act could be intentional as well.

In order to maintain a secure tariff, ISO-NE proposes an enhanced access control process, as described below. The proposed security enhancement is intended to give the tariff owners administrative authority over which parties are authorized to file tariff changes. This would prevent "registered companies" from filing changes to any tariff but their own. Under the proposed process, a party would have to be granted explicit access by the tariff owner in order to make a tariff filing. This proposal would: (i) provide greater protection against unauthorized tariff filings; (ii) give the tariff owner control over who is authorized to file tariff changes; and (iii) save the Commission and affected parties the time and effort associated with cleaning up any "accidental" tariff filings.

The proposed process consists of the Commission providing an "update permissions" function on the e-tariff web site. The process would consist of:

1. After a registered company logs in to e-tariff (using its Commission-assigned Login Number), a menu is displayed with the following choices:

- a. Upload a Tariff filing;
  - b. Update Permissions;
  - c. Any other choices the Commission makes available.
2. Clicking on the “Update Permissions” option displays a web page that allows the tariff owner to assign updated permissions for one or more of their tariff(s) to specific e-tariff registered companies.
3. Once a company has received permission to update a tariff it will be able to upload tariff filings against the authorized tariff using its own Company Login Number.
4. The Commission will maintain a database mapping Tariff Owner Company\_ID’s and Tariff\_ID’s to authorized Login Numbers.
5. During a tariff filing upload, the Commission’s system will check this database to determine if the Login Number used by the Submitter has been given permission by the tariff owner to file updates for the company\_id and tariff\_id contained in the ferc\_filing\_data of the XML tariff filing.
6. If there is a record in the database permitting this Login Number to file updates for this company\_id and tariff\_id, then the upload is allowed; if not, the upload is rejected.

ISO-NE respectfully requests that the Commission adopt this proposal as a means to provide enhanced security to the eTariff database.

## **II. TESTING, IMPLEMENTATION AND FURTHER PROCEDURES**

The Commission states in the NOPR that it envisions that electronic filing should be able to begin within six months to one year after the final rule is issued, but does not propose a firm deadline or structure for compliance.

ISO-NE is currently working with a software vendor who will be developing software for use with the e-tariff system. The software developer has indicated that it believes that a minimum of one year will be necessary for the development, testing, implementation and conversion of the current ISO-NE Tariff. Compared to many parties affected by the transition to an electronic tariff system, ISOs and RTOs have enormous and frequently-revised tariffs, the conversion of which to a new system will be challenging and time-consuming.

For these reasons, ISO-NE urges that the Commission not establish a deadline for utilities’ implementation of electronic tariff filing that is any earlier than one year after issuance of the final rule.

### III. CONCLUSION

ISO-NE requests the Commission to consider favorably the comments offered herein.

Respectfully submitted,

*/s/ Linda Morrison*

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*/s/ Kerim P. May*

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