

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Standards for Business Practices and  
Communication Protocols for Public Utilities

Docket No. RM05-5-005

(April 21, 2008)

WELLINGHOFF, Commissioner, *concurring*:

Today, the Commission issues a Notice of Proposed Rulemaking (NOPR) proposing to amend its regulations under the Federal Power Act<sup>1</sup> to incorporate by reference, among other matters, the latest version of certain business practice standards concerning the Open Access Same-Time Information Systems (OASIS) adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB).<sup>2</sup> I appreciate NAESB's leadership and the work of the industry in developing these business practice standards.

One of the business practice standards addressed in this NOPR, WEQ-001 Version 1.4, revises NAESB's Business Practices for OASIS and, among other matters, addresses the information that is to be posted on OASIS. This information includes posting of ancillary service offerings and prices and the process for customers to procure ancillary services.

I write separately to note that in Order No. 890, the Commission determined that many ancillary services may be provided by generating units as well as other non-generation resources such as demand resources where appropriate.<sup>3</sup> Nothing in WEQ-001 precludes such a role for demand resources,

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<sup>1</sup> 16 U.S.C. 791a, *et seq.*

<sup>2</sup> In addition, the Commission proposes in this NOPR to incorporate by reference NAESB's new business practices standards on transmission loading relief (TLR) for the Eastern Interconnection. I note my concurrence to the separate, concurrently issued NOPR in Docket No. RM08-7-000, in which the Commission proposes to approve, among other matters, modified Reliability Standard IRO-006-4 pertaining to TLR procedures to which the NAESB business practice we address herein relates.

<sup>3</sup> See Order No. 890 at P 888 (addressing the following ancillary services: Reactive Supply and Voltage Control, Regulation and Frequency Response,

(continued)

but the definition of certain ancillary services in the standard also does not specifically reflect that possible role.

To remove any confusion between the *pro forma* tariff that the Commission adopted in Order No. 890 and the business practice standards for offering and procuring ancillary services on OASIS, I encourage NAESB and its stakeholders to amend WEQ-001, as soon as possible, to reflect that the above-noted ancillary services may be provided by non-generation resources such as demand resources. This will facilitate implementation of this aspect of the *pro forma* OATT.

For this reason, I concur with this NOPR.

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Jon Wellinghoff  
Commissioner

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Energy Imbalances, Spinning Reserves, Supplemental Reserves, and Generator Imbalances (Schedules 2, 3, 4, 5, 6, and 9, respectively, of the *pro forma* OATT)).