

North American Energy Standards Board

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NAESB Wholesale Electric Quadrant Ratification Ballot

Due May 16, 2008

To NAESB Office (Fax Number 713-356-0067, email naesb@naesb.org)

Please vote in favor of or in opposition to the WEQ Executive Committee action taken on April 9, 2008:

Support	Oppose	Recommendation
X See At	nauts	Revised Recommendation: 2008 WEQ Annual Plan Item 2.b.v.3 and 2008 WEQ Annual Plan Item 2.a.i.3: "ATC/TTC Narratives." Link: Recommendation: Redlined: http://www.naesb.org/doc_view2.asp?doc=weq_rat041608_2008_weq_ap_2bv3_2ai3_rec_redline.doc Clean: http://www.naesb.org/doc_view2.asp?doc=weq_rat041608_2008_weq_ap_2bv3_2ai3_rec_clean.doc

Member Name:	Edward Skiba
Member Company:	Midwest Iso
Segment:	IGO
Sub-Segment:	NA
Member Signature:	Toland If the
Date:	5/13/08

The Midwest ISO agrees with the ATC/TTC Narrative Recommendation except Standard Y.1.1. The Midwest ISO acknowledges that the comments below were previously brought to and discussed in the subcommittee, but were not adopted by the NAESB subcommittee. Therefore, the Midwest ISO is voting in favor of this recommendation, with comments so that NAESB can continue to move forward with the overall recommendation. The Midwest ISO believes that NAESB interpretation of Order 890, as documented in Standard Y.1.1 (b) differs from the intention of the FERC and submits these comments with the expectation that they will be filed by NAESB, with the FERC as reference documentation, for their consideration as to whether NAESB's interpretation is consistent with the intent of Order 890.

The Midwest ISO believes that Standard Y.1.1 (b) is not required and Standard Y.1.1 (c) should read "The yearly ATC value for a given year has been posted at a value of zero for the past six consecutive months".

Paragraph 371 of Order 890 states, "371. We do require, as suggested in the NOPR, a narrative with regard to monthly or yearly ATC values when ATC remains unchanged at a value of zero for a significant period, and will set that period at six months or longer. This information will be valuable to customers and regulators in assessing the ability of a transmission provider's facilities to meet existing service requests. The information also will provide assurance to customers that the transmission provider is diligent in regularly evaluating ATC on all paths, monitoring persistent constraints and addressing them in its planning processes."

Below is a justification as to why Midwest ISO is suggesting the proposed changes warrant further consideration.

Excerpt 1: "values when ATC remains unchanged at a value of zero for a significant period"

If one calculation shows zero ATC values for a path for some future 6 month period, the ATC hasn't "remained" anything – it has only been zero since that calculation. "Significant period" refers to the passage of real-time, not a future time period. The Midwest ISO believes that this refers to connecting the triggering of the narrative to successive calculations showing zero ATC values for a given path as demonstrated in Standard Y.1.1 (a) rather than Standard Y.1.1 (b)

Excerpt 2: "... yearly ATC values ... unchanged ... for ... six months or longer"

The spirit of Standards Y.1.1 (b) and (c), as they are written, have set the significant period to one year instead of the six months as directed in paragraph 371 of Order 890. The Midwest ISO believes that Standards Y.1.1 (b) and (c) are misinterpretations by NAESB of the FERC Order.

Excerpt 3: "The information also will provide assurance to customers that the transmission provider is diligent in regularly evaluating ATC on all paths"

Calculating ATC values once does not demonstrate diligence or regular evaluations. Showing that you've tracked the ATC value for the same path over a 6 month period of successive calculations (and posting that fact) demonstrates that the TSP is being diligent. This is reflected in Standard Y.1.1 (a) rather than Y.1.1 (b)

Excerpt 4: "monitoring persistent constraints"

The Midwest ISO believes that calculating a zero ATC on a path for 6 months for some future time period does not come close to identifying persistent constraints because one calculation cannot show persistent constraints.

Excerpt 5: "and addressing them in its planning processes"

The Midwest ISO planning department, or planning departments from other entities, would not propose building additional capacity due to zero ATC values on a path for a 6 month period in the future based on one calculation because ATC values could change back to non-zero after the next scheduled calculation. But, a Planning department may review the need for additional capacity if the ATC value for a given month or year remained zero for all calculations in the past 6 months.