



registered for multiple functions. Further, the Commission seeks additional information regarding:

- responsibility for use of three-part communication by Transmission Owners and Generation Owners that receive Operating Instructions under proposed COM-002-4;
- the lack of a testing requirement for Distribution Providers and Generator Operators in proposed COM-001-2; and
- the intended meaning and use of the proposed terms “Interpersonal Communication” and “Alternative Interpersonal Communication.”

NERC supports the Commission’s proposal to approve the proposed Reliability Standards and requests approval of the proposed Reliability Standards as filed with the Commission. As explained below, NERC agrees with the alternative statement by the Commission regarding coverage of internal communications and asserts that a directive to modify proposed COM-001-2 or develop a separate standard is not needed. The Requirements in proposed COM-001-2 were intentionally drafted to apply to between functional entities communications without regard to corporate structure.

NERC also provides additional information to the Commission in response to the Commission’s questions. As explained more fully below, the Transmission Operator and Generator Operator are the appropriate functional entities to include in both COM-001-2 and COM-002-4 because the Transmission Operator and Generator Operator are the entities responsible for operating or directing others to operate under the NERC Functional Model.<sup>3</sup> As a result, these should be the functional entities responsible for compliance with the proposed

---

<sup>3</sup> NERC Functional Model Working Group, *Reliability Functional Model: Function Definitions and Functional Entities Version 5*, May 2010, available at [http://www.nerc.com/pa/Stand/Functional%20Model%20Archive%201/Functional\\_Model\\_V5\\_Final\\_2009Dec1.pdf](http://www.nerc.com/pa/Stand/Functional%20Model%20Archive%201/Functional_Model_V5_Final_2009Dec1.pdf) (“Functional Model”).

Reliability Standards related to communications proposed for approval. While the Transmission Operator or Generator Operator may delegate tasks under the proposed Reliability Standards to other member entities within a Regional Transmission Organization (“RTO”) or Independent System Operator (“ISO”), the Transmission Operator and Generator Operator retain responsibility for compliance with the Requirements in the proposed Reliability Standards, including responsibility for delegated tasks, unless the entities have registered to share responsibility through NERC. During audits, NERC and the Regional Entities will continue to review any supporting documents that describe the delegation of a task in order to ascertain compliance with the proposed Reliability Standards.

With respect to the Commission’s concern over a lack of a testing requirement for Distribution Providers and Generator Operators in proposed COM-001-2, communications capabilities for these functional entities are adequately addressed within proposed COM-001-2. A separate testing aspect was not included in Requirements where an entity is required to have an Interpersonal Communication capability since this primary capability will be in everyday use and entities will be aware if the capability is unavailable. In lieu of requiring an Alternative Interpersonal Communication capability for Distribution Providers and Generator Operators, the standard drafting team designed Requirement R11 to require these entities to consult with the relevant Balancing Authority and Transmission Operator, upon detecting a failure of its Interpersonal Communication capability, to determine a mutually agreeable action for the restoration of its Interpersonal Communication capability. Thus, the proposed Reliability Standard assures the proper interaction and awareness among necessary entities in the event the Interpersonal Communication capability of a Distribution Provider and Generator Operator is out of service.

Additionally, specific listed minimum expectations of communication performance are not necessary in the proposed definitions of “Interpersonal Communication” and “Alternative Communication” because the proposed Requirements in COM-001-2 are absolute on the need to have a working capability to maintain reliability.

Finally, NERC clarifies that the standard drafting team did not include mediums used to exchange data within proposed COM-001-2. The standard drafting team answered comments during the standard development process on the same question and responded that data exchange is addressed by the currently enforceable Reliability Standards IRO-010-1a and IRO-014-1. The standard drafting team determined that the Requirements in these two IRO Reliability Standards provided the necessary mandatory Requirements to ensure proper data exchange.

**I. Notices and Communications**

Notices and communications with respect to this filing may be addressed to the following:<sup>4</sup>

---

<sup>4</sup> Persons to be included on the Commission’s service list are identified by an asterisk. NERC respectfully requests a waiver of Rule 203 of the Commission’s regulations, 18 C.F.R. § 385.203 (2014), to allow the inclusion of more than two persons on the service list in this proceeding.

Charles A. Berardesco\*  
Senior Vice President and General Counsel  
Holly A. Hawkins\*  
Associate General Counsel  
William H. Edwards\*  
Counsel  
North American Electric Reliability  
Corporation  
1325 G Street, N.W., Suite 600  
Washington, D.C. 20005  
(202) 400-3000  
(202) 644-8099 – facsimile  
charles.berardesco@nerc.net  
holly.hawkins@nerc.net  
william.edwards@nerc.net

Valerie Agnew\*  
Director of Standards  
North American Electric Reliability  
Corporation  
3353 Peachtree Road, N.E.  
Suite 600, North Tower  
Atlanta, GA 30326  
(404) 446-2560  
(404) 446-2595 – facsimile  
valerie.agnew@nerc.net

## **II. Responsibilities of Transmission Owners and Generator Owners**

In the NOPR, the Commission highlights that the proposed Reliability Standards COM-001-2 and COM-002-4 do not identify Transmission Owners or Generator Owners as applicable entities. The Commission questions whether there are instances, however, in which Transmission Owners or Generator Owners may receive and act on “Operating Instructions,” such as in areas operated by RTOs or ISOs.<sup>5</sup>

The Commission requests an explanation from NERC regarding the obligations of an applicable entity identified in proposed COM-001-2 and COM-002-4 when communicating with Transmission Owners or Generator Owners.<sup>6</sup> Specifically, if a Transmission Operator issues an Operating Instruction to a Transmission Owner or Generator Owner, the Commission asks which entity (if any) is responsible if the Transmission Owner or Generator Owner fails to perform three-part communication properly. The Commission requests that NERC address its auditing practices in reviewing operating agreements between Transmission Operators and Transmission

---

<sup>5</sup> NOPR at P 26.

<sup>6</sup> *Id.* at P 27.

Owners and Generation Owners (or other agreements for assigning operational and compliance responsibility). The Commission further asks NERC to address its approach in reviewing the protocols of any Transmission Owner or Generator Owner that acts on Operating Instructions to ascertain that they use three-part communication when and as required under proposed COM-002-4.

In response to the Commission's questions, NERC addresses:

- the design of the applicability section of the proposed COM-002-4 Reliability Standard according to the NERC Functional Model;
- the Commission's question regarding whether Transmission Owners and Generator Owners could receive or act on Operating Instructions in RTOs and ISOs; and
- generally how the Electric Reliability Organization approaches compliance in cases where a Transmission Operator or Generator Operator delegates tasks under the Reliability Standards to member entities within an RTO and ISO.

**A. Applicability to Transmission Owners and Generator Owners**

The applicability sections of both proposed Reliability Standards are appropriately tailored to the functional entity types in NERC's Functional Model that operate the Bulk-Power System. The Functional Model provides the foundation and framework upon which NERC develops and maintains its Reliability Standards. NERC's Reliability Standards establish the requirements of the responsible entities that perform the functions defined in this model. The Functional Model is structured to ensure there are no gaps or overlaps in the performance of tasks in the operating timeframe anywhere in the Bulk Electric System.<sup>7</sup> The design of the

---

<sup>7</sup> *Id.* at 11.

Functional Model “provide[s] flexibility to accommodate the range of presently conceivable organization structures.”<sup>8</sup>

A Transmission Operator is defined as “[t]he functional entity that ensures the Real-time operating reliability of the transmission assets within a Transmission Operator Area.”<sup>9</sup> The Transmission Operator “operates or directs the operation of transmission facilities, and maintains local-area reliability, that is, the reliability of the system and area for which the Transmission Operator has responsibility.”<sup>10</sup> The Functional Model Technical Document explains that while an organization may be a Transmission Operator without being a Reliability Coordinator or Transmission Owner, in many cases, the Transmission Operator is bundled with a Reliability Coordinator or Transmission Owner.<sup>11</sup> Where the RTO or ISO registers with NERC as Reliability Coordinator and Transmission Operator, the RTO or ISO may delegate or assign some of the Transmission Operator tasks to its member organizations. In these cases, the Transmission Operator remains responsible for complying with all Reliability Standards associated with the Transmission Operator. Where the RTO or ISO only registers as a Reliability Coordinator, its member organizations may be the registered Transmission Operators, and are thereby responsible for complying with all Reliability Standards associated with the Transmission Operator.

A Generator Operator is defined as “[t]he functional entity that operates generating unit(s) and performs the functions of supplying energy and reliability related services.”<sup>12</sup> The

---

<sup>8</sup> *Id.* at 10.

<sup>9</sup> Functional Model at 38.

<sup>10</sup> NERC Functional Model Working Group, *Reliability Functional Model Technical Document Version 5*, May 2010, available at [http://www.nerc.com/pa/Stand/Functional%20Model%20Archive%201/FM\\_Technical\\_Document\\_V5\\_2009Dec1.pdf](http://www.nerc.com/pa/Stand/Functional%20Model%20Archive%201/FM_Technical_Document_V5_2009Dec1.pdf) (“Functional Model Technical Document”).

<sup>11</sup> *Id.* at 15.

<sup>12</sup> Functional Model at 49.

organization that serves as Generator Operator may also be the owner of the generation facilities it operates; or it may be a separate organization designated by the Generator Owner to operate the facilities.<sup>13</sup>

Therefore, functional entities such as the Transmission Operator and Generator Operator are the appropriate functional entities to include in both COM-001-2 and COM-002-4, as opposed to the Transmission Owner or Generator Owner, because these are the entities responsible for operation under the Functional Model. As a result, these should be the entities responsible for compliance with the proposed Reliability Standards related to communications proposed for approval and listed in the applicability section of the proposed Reliability Standards.

#### **B. Delegation of Tasks in RTOs and ISOs**

The Commission is correct that there are instances in which Transmission Owners or Generator Owners may receive and act on Operating Instructions within areas operated by RTOs or ISOs from a Transmission Operator or Generator Operator. In these instances, the Transmission Owner or Generator Owner does not receive or act in their capacity as owners under the Functional Model, but are acting on behalf of the Transmission Operator or a Generator Operator under delegation as a member of the RTO or ISO. In these cases, the entities have been delegated a task by a Generator Operator or by the RTO or ISO that is registered with NERC as the Transmission Operator for that area. If performance under the Reliability Standards is not achieved for a delegated task, the relevant Transmission Operator or Generator Operator responsible for compliance with the Reliability Standards is and has been held accountable.

---

<sup>13</sup> Functional Model Technical Document at 23.

Today, RTOs and ISOs use different approaches to assign compliance responsibility for Reliability Standards. In order to formally shift or collectively pool the compliance responsibility, an RTO or ISO has the ability to register with NERC as a Joint Registration Organization (“JRO”) and/or submit a Coordinated Functional Registration (“CFR”). An entity may register as a JRO on behalf of one or more of its members, or related entities, for one or more functions for which such members or related entities would otherwise be required to register.<sup>14</sup> Thereby, the JRO accepts on behalf of such members or related entities all compliance responsibility for that function or those functions including all reporting requirements. For purposes of compliance audits, the Regional Entity must keep a list of all JROs. This document must contain a list of each JRO’s members or related entities and the function(s) for which the JRO is registered for that member(s) or related entity(s). It is the responsibility of the JRO to provide the Regional Entity with this information as well as the applicable JRO agreement(s).<sup>15</sup>

A CFR registration represents an agreement between two or more registered entities sharing and/or splitting compliance responsibility for Requirements within particular Reliability Standard(s) applicable to a specific function.<sup>16</sup> The CFR submission must include a written agreement that governs itself and clearly specifies the entities’ respective compliance responsibilities.<sup>17</sup>

For example, certain Transmission Owners in Texas Reliability Entity (“Texas RE”) have registered with NERC through a JRO /CFR Agreement for the NERC Transmission Operator

---

<sup>14</sup> NERC, *ERO Registration Procedure*, Jun. 17, 2014 at 7 (“Registration Procedure”), available at <http://www.nerc.com/pa/comp/Registration%20and%20Certification%20DL/NERC%20ORC%20Registration%20Procedure.pdf>.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.* at 6.

<sup>17</sup> *Id.*

function with ERCOT. Under this arrangement, ERCOT and these Transmission Owners are required to comply with NERC Reliability Standards applicable to the Transmission Operator. This arrangement clearly describes the divisions of responsibility.

As an additional example, while PJM is the registered Transmission Operator for Transmission Owners located within its footprint (with one exception), it has chosen to assign the responsibility for the performance and demonstration of compliance with some reliability tasks through operating agreements and supporting manuals. The agreements to delegate tasks are used to ensure there are no gaps or unnecessary overlaps in the performance of tasks and to ensure all entities are aware of their assigned duties with respect to compliance with the Reliability Standards. In 2012, the Commission audited PJM for the Transmission Operator function. A detailed report summarizing the practices in PJM and the audit approach is included in *PJM Interconnection, LLC*, FERC Docket No. PA11-21-000. This audit included “discussing PJM’s reliability history and reviewing *ReliabilityFirst*’s and SERC’s joint audits and spot checks of PJM, which assessed PJM’s compliance with all applicable actively monitored requirements of the Reliability Standards.”<sup>18</sup>

Under the above examples, the JRO, CFR, tariff, operating agreement, or other contractual agreement acts as a guide to an auditor to ascertain what entity ultimately performs a task under the NERC Reliability Standards, including which entity retains responsibility for compliance. These documents are reviewed by an auditor measuring compliance with Reliability Standards to ascertain how tasks are delegated and to determine whether there are gaps in performance under the Reliability Standards as a result of the delegation. Responsibility

---

<sup>18</sup> *PJM Interconnection, LLC*, Docket No. PA11-21-000 at 12 (delegated order) (Nov. 1, 2012)(providing results of the Audit of the Performance of PJM Interconnection, L.L.C. as a Table 1 Entity Responsible for Certain CIP Reliability Standards, and as a NERC Registered Transmission Operator and Transmission Planner.

for compliance will always rest with the entity registered with NERC as the Transmission Operator (e.g., a Transmission Operator who has delegated tasks to a member organization in an RTO or ISO). As a result, the registered entity for a particular function retains responsibility for providing supporting documentation regarding how a task is delegated. The registered entity is also responsible for providing proof of compliance under the Reliability Standards. While the auditing approach may contain additional steps or checks to allow an auditor to measure compliance, the auditor approaches review of the compliance with the Reliability Standards in the same manner as other Reliability Standards contexts.

In summary, although the Transmission Operator or Generator Operator may delegate certain tasks through an operating agreement or other means, it may not delegate its responsibility for compliance with the Reliability Standards. NERC has provided registration options for entities like RTOs and ISOs to use in these contexts. While NERC encourages use of these registration tools, NERC also recognizes that organizational structures differ and have allowed flexibility in cases like these where NERC can continue to measure compliance with Reliability Standards using an existing organizational construct such as the unique set-up of some RTOs and ISOs.

### **III. Internal Communications Capability**

In the NOPR, the Commission states that currently enforceable COM-001-1.1 explicitly requires applicable entities to have adequate infrastructure for internal communications. The Commission states that such a requirement is appropriate, since internal communications can have an impact on reliability, including certain communications between a control center and a generating unit operator and other field personnel or between two control centers (where operated by a single entity). The Commission highlights that proposed Reliability Standard

COM-001-2 does not carry forward this explicit requirement with respect to internal communications.

The Commission cites to the final report on the August 2003 blackout issued by the U.S.-Canada Power System Outage Task Force,<sup>19</sup> which recommended improvements in internal communication effectiveness along with improvements to external communications.<sup>20</sup> The Commission also emphasizes that one of the causes of the 2003 blackout included First Energy's lack of internal communications procedures for control center computer support staff and operations staff and that First Energy lacked procedures to ensure that its operators were continually aware of the functional state of their critical monitoring tools.<sup>21</sup> This led to a lack of situational awareness.

As a result, the Commission proposed to “direct NERC to develop modifications to COM-001 (or to develop a separate standard) that ensures that entities maintain adequate internal communications capability, at least to the extent that such communications could involve the issuance or receipt of Operating Instructions or other communications that could have an impact on reliability.”<sup>22</sup> Alternatively, the Commission explains that a requirement for internal communications capability may be implicit in the proposed Requirements for communications capability between functional entities such as Reliability Coordinators and Transmission Operators, since the proposed Requirements are not explicitly limited to functional entities that are different utilities and could be understood as including communications capability within a

---

<sup>19</sup> U.S.-Canada Power System Outage Task Force, *Final Report on the August 14, 2003 Blackout in the United States and Canada: Causes and Recommendations* at 3 (April 2004) (“2003 Blackout Report”), available at <http://energy.gov/sites/prod/files/oeprod/DocumentsandMedia/BlackoutFinal-Web.pdf>.

<sup>20</sup> NOPR at P 30 (citing 2003 Blackout Report at 161).

<sup>21</sup> *Id.*

<sup>22</sup> *Id.*

utility registered for and performing multiple functions. The Commission seeks comment on whether proposed COM-001-2 can and should be understood this way.

Proposed COM-001-2 can and should be understood to apply to communications capability between functional entities such as Reliability Coordinators and Transmission Operators, even if those functional entities are within the same corporate entity or organization structure. As a result, a directive to modify COM-001 or develop a separate standard is not needed. The standard drafting team intentionally drafted the Requirements in proposed COM-001-2 to apply between applicable functional entities without regard to corporate structure. The Functional Model defines functions “independent[ly] of the organization structure performing the functions.”<sup>23</sup>

#### **IV. Testing Requirement for Generator Operators and Distribution Providers**

In the NOPR, the Commission also inquires about testing requirements for Generator Operators and Distribution Providers. As written, proposed Requirement R9 requires monthly testing by Reliability Coordinators, Balancing Authorities, and Transmission Operators. The Commission seeks comment on why Generator Operators and Distribution Providers are not included or required to have some form of requirement to test or actively monitor vital primary and emergency telecommunication facilities, particularly given the assumptions the Commission made in Order No. 749 when approving Reliability Standard EOP-005-2 (System Restoration from Blackstart Resources).<sup>24</sup> The Commission asks whether proposed Requirement R11 addresses the issues cited in Order No. 749 by the Commission. In other words, the Commission inquires whether proposed COM-001-2 closes the gap in the EOP-005-2 Reliability Standard by

---

<sup>23</sup> Functional Model at 10.

<sup>24</sup> The Commission states that, in Order No. 749, it relied on NERC’s assurances not only that COM-001-2 would be revised to include distribution providers and generator operators, but that such revisions would address the Commission’s concerns about the lack of certain testing requirements in EOP-005-2.

managing, alarming, testing and/or actively monitoring vital primary and emergency telecommunication facilities.

The issues noted by the Commission regarding testing requirements for Generator Operators and Distribution Providers are adequately addressed within COM-001-2. Under proposed COM-001-2, where an applicable entity is required to have an Alternative Interpersonal Communication capability, testing is required. The standard drafting team intentionally did not include testing the Interpersonal Communication capability in COM-001-2 for any applicable entity because routine use is sufficient to demonstrate functionality of this is primary capability.

Proposed Requirement R11 requires Distribution Providers and Generator Operators to consult with the relevant Balancing Authority and Transmission Operator, upon detecting a failure of its Interpersonal Communication capability, to determine a mutually agreeable action for the restoration of its Interpersonal Communication capability. Operators address restoration using the same Interpersonal Communication capability in use each day, and therefore, this does not require a separate testing requirement given the active use of the Interpersonal Communication capability. Considering the limited impact a failure might have on Distribution Providers and Generator Operators overall, the standard drafting team determined that allowing Distribution Providers and Generator Operators to reach a mutually agreeable action with necessary functional entities eliminated the need for an Alternative Interpersonal Communication capability in the proposed Reliability Standard for these specific applicable entities. This approach for Distribution Providers and Generator Operators in proposed COM-001-2, which varies from the proposed Requirements for other applicable entities, is consistent with the

Commission's clarification in Order No. 693 with respect to modifying the Reliability Standard.

In its order, the Commission stated:

We clarify that the NOPR did not propose to require redundancy on generator operators' or distribution providers' telecommunication facilities or that generator operators or distribution providers be trained on anything not related to their functions during normal and emergency conditions. We expect the telecommunication requirements for all applicable entities will vary according to their roles and that these requirements will be developed under the Reliability Standards development process.

For these reasons, the proposed Requirements with respect to Distribution Providers and Generator Operators properly vary from those of other applicable entities in the proposed Reliability Standard according to each's roles.

#### **V. Definitions**

Additionally in the NOPR, the Commission seeks clarification regarding the scope and meaning of the proposed definitions of "Interpersonal Communication" and "Alternative Interpersonal Communication." First, the Commission explains that the definitions do not provide a minimum expectation of communication performance, such as speed and quality, to ensure that the communication is sufficient to maintain the reliable operation of the Bulk-Power System. Second, the Commission notes that Reliability Standard COM-001-1.1, Requirement R1, addresses "telecommunications facilities for the exchange of Interconnection and operating information," which seems to imply that the facilities are to be used for data transfer. The Commission notes that it is unclear whether the definition of "Interpersonal Communication" includes mediums used directly to exchange or transfer data.

Because the Requirements in proposed COM-001-2 are absolute, the proposed definitions should not list specific minimum expectations of communication performance. Entities are required to have the capability in place to "establish Interpersonal Communication capabilities

necessary to maintain reliability.”<sup>25</sup> As a result, additional minimum criteria are not needed within the definition to specify performance expectations. Each entity has the ability to determine what is necessary from a communications capability standpoint to maintain reliability and meet the Requirements of proposed COM-001-2.

NERC also clarifies that the standard drafting team did not include mediums used to exchange data within proposed COM-001-2. The standard drafting team answered comments during the standard development process on the same question and responded that data exchange is addressed by the currently enforceable Reliability Standards IRO-010-1a and IRO-014-1. The standard drafting team determined that the Requirements in these two Reliability Standards provided the necessary mandatory Requirements to ensure proper data exchange is occurring.

Reliability Standard IRO-010-1a is designed to prevent instability, uncontrolled separation, or cascading outages that adversely impact the reliability of the interconnection by ensuring the Reliability Coordinator has the data it needs to monitor and assess the operation of its Reliability Coordinator Area. IRO-010-1a is applicable to the Reliability Coordinator, Balancing Authority, Generator Owner, Generator Operator, Interchange Authority, Load-Serving Entity, Transmission Operator, and the Transmission Owner. Requirement R1 requires a documented specification for data and information to build and maintain models to support Real-time monitoring, Operational Planning Analyses, and Real-time Assessments of its Reliability Coordinator Area to prevent instability, uncontrolled separation, and cascading outages. As part of that Requirement, entities must have a process for data provision when automated Real-Time system operating data is unavailable. Requirements R2 and R3 require the

---

<sup>25</sup> See COM-001-2 Requirements and Purpose statement.

Reliability Coordinator to distribute a data specification and other applicable entities to provide that information.

IRO-014-1 requires the Reliability Coordinator to have Operating Procedures, Processes, or Plans in place for activities that require notification, exchange of information, or coordination of actions with one or more other Reliability Coordinators to support Interconnection reliability.<sup>26</sup>

While the standard drafting team determined that the coverage of mediums for data was not necessary in proposed COM-001-2 under the rationale above, NERC notes that the standard drafting team for Project 2014-03: Revisions to TOP and IRO Standards<sup>27</sup> included coverage of mediums and data in its proposed changes to certain TOP and IRO Reliability Standards. Data exchange capabilities are directly addressed in proposed TOP-001-3, Requirements R19<sup>28</sup> and R20<sup>29</sup> as well as in proposed IRO-002-4, Requirement R1<sup>30</sup>. The data itself is covered in proposed IRO-010-2 and proposed TOP-003-3. With the exception of proposed TOP-001-3, which remains in development, the NERC Board has adopted the proposed TOP and IRO Reliability Standards in this project. NERC will submit these proposed Reliability Standards once development of proposed TOP-001-3 is completed.

---

<sup>26</sup> Proposed Reliability Standard IRO-014-2 contains similar Requirements; however, the Commission has proposed to remand this proposed Reliability Standard in its *Notice of Proposed Rulemaking* on certain proposed TOP and IRO Reliability Standards. See *Monitoring System Conditions - Transmission Operations Reliability Standard; Transmission Operations Reliability Standards; Interconnection Reliability Operations and Coordination Reliability Standards*, Notice of Proposed Rulemaking, 145 FERC ¶ 61,158 (2013).

<sup>27</sup> The webpage for Project 2014-03 is available at <http://www.nerc.com/pa/Stand/Pages/Project-2014-03-Revisions-to-TOP-and-IRO-Standards.aspx>.

<sup>28</sup> Requirement R19 provides that “[e]ach Transmission Operator shall have data exchange capabilities with the entities that it has identified that it needs data from in order to maintain reliability in its Transmission Operator Area.”

<sup>29</sup> Requirement R20 provides that “[e]ach Balancing Authority shall have data exchange capabilities with the entities that it has identified that it needs data from in order to maintain reliability in its Balancing Authority Area.”

<sup>30</sup> Requirement R1 provides that “[e]ach Reliability Coordinator shall have data exchange capabilities with its Balancing Authorities and Transmission Operators, and with other entities it deems necessary, for it to perform its Operational Planning Analyses, Real-time monitoring, and Real-time Assessments

**VI. Conclusion**

For the reasons set forth above, NERC respectfully requests that the Commission accept these comments for consideration.

Respectfully submitted,

*/s/ William H. Edwards*

Charles A. Berardesco  
Senior Vice President and General Counsel  
Holly A. Hawkins  
Associate General Counsel  
William H. Edwards  
Counsel  
North American Electric Reliability  
Corporation  
1325 G Street, N.W., Suite 600  
Washington, D.C. 20005  
(202) 400-3000  
(202) 644-8099 – facsimile  
charles.berardesco@nerc.net  
holly.hawkins@nerc.net  
william.edwards@nerc.net

*Counsel for the North American Electric  
Reliability Corporation*

Date: December 1, 2014

**CERTIFICATE OF SERVICE**

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding. Dated at Washington, D.C. this 1st day of December, 2014.

*/s/ William H. Edwards*

William H. Edwards

*Counsel for the North American Electric  
Reliability Corporation*