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

North American Electric Reliability Corporation) Docket No. AD10-14-000
)

**SUPPLEMENTAL COMMENTS OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION
FOLLOWING JULY 6 TECHNICAL CONFERENCE**

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August 20, 2010

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I. INTRODUCTION

The North American Electric Reliability Corporation (“NERC”) submits these supplemental comments following the July 6, 2010 technical conference held in this docket. NERC filed comments on July 26, 2010 that responded to a number of issues raised during the July 6 technical conference. One of those issues involved the question of periodic, face-to-face discussions between Commissioners, NERC officials, and industry and other stakeholder executives regarding the state of reliability and reliability oversight implementation. NERC stated in its July 26th comments that it had

scheduled discussion among NERC stakeholders and NERC Board of Trustees on what the nature, structure and participation in such an ongoing dialogue might be, which are to be held during NERC’s Member Representatives Committee and Board of Trustees meetings in Toronto, Ontario on August 4 and 5, 2010. NERC will share the results of those discussions with the Commission promptly after the conclusion of those meetings.

These supplemental comments provide NERC’s views after the conclusion of those discussions.

II. NOTICES AND COMMUNICATIONS

Notices and communications with respect to this filing may be addressed to:

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with an asterisk.

III. RECOMMENDATION REGARDING EXECUTIVE-LEVEL FORUM

After extended discussion of the issue of a senior-level forum at NERC's Member Representatives Committee and Board of Trustees meetings on August 4 and 5, 2010 in Toronto, Ontario, NERC has the following additional observations. NERC has not done a formal survey of its stakeholders, but, based on the discussions in Toronto, Ontario, NERC believes there is wide-spread support for the positions described here.

1. The July 6th technical conference was a very valuable undertaking that enabled all five Commissioners, a Canadian official, executives from various stakeholder groups, and NERC officials to engage in a productive dialogue about the status of NERC's Reliability Standards and some aspects of the implementation of Section 215 of the Federal Power Act.
2. NERC believes that continuing executive-level discussions on various reliability issues is valuable and appropriate. Importantly, many mechanisms already exist that can be utilized and bolstered for continuing this dialogue. These mechanisms may provide an established platform for greater coordination and communication for this purpose.
3. NERC does recommend that the Commission convene periodic additional technical conferences in the format of the July 6th conference, what might be termed "reliability summits." Such a reliability summit would provide an opportunity to again bring the five Commissioners, Canadian representatives, executives from various stakeholder groups, and NERC officials together to assess the progress that has been made since the July conference. Such a summit could also focus on one or more high-level policies issues related to reliability that could profit from in-depth discussion. Such a forum could be used to better understand the scope and meaning of reliability (*e.g.*, cascading

versus load loss), tradeoffs between reliability and cost to customers, strategic objectives with regard to critical infrastructure security, reliability impacts of new technologies, and priorities for addressing risks to reliability. The ultimate deliverable from the summit should be a single set of priorities towards which all are working.

4. NERC recommends that the next such conference be held early in the first quarter of 2011. Thereafter, such conferences could be held annually. NERC recommends that NERC management work with FERC staff to develop the agendas for such conferences.
5. NERC further recommends that NERC management meet with senior Commission staff on a more frequent basis to discuss emerging issues and co-ordinate the further implementation of Section 215 of the Federal Power Act. NERC expressed its appreciation for the increased presence of Commissioners and senior staff at its Member Representatives Committee and Board of Trustees meetings. NERC also acknowledges that senior-level meetings between NERC management and senior Commission staff have already been quite productive.

Finally, NERC commends all those with an interest in the reliability of the bulk power system of North America – Commissioners and Commission staff, Canadian governmental representatives, stakeholders and customers – for continuing a constructive dialogue on what it means to pursue reliability excellence.

Respectfully submitted,

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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 20th day of August, 2010.

/s/ Rebecca J. Michael

Rebecca J. Michael

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