

September 27, 2016

**VIA OVERNIGHT MAIL**

Sheri Young, Secretary of the Board  
National Energy Board  
517 – 10<sup>th</sup> Avenue SW  
Calgary, Alberta  
T2R 0A8

Re: *North American Electric Reliability Corporation*

Dear Ms. Young:

The North American Electric Reliability Corporation hereby submits Supplemental Clarification Filing of the North American Electric Reliability Corporation Concerning Proposed 2017 Business Plan and Budget of Northeast Power Coordinating Council, Inc.

Please contact the undersigned if you have any questions concerning this filing.

Respectfully submitted,

/s/ Holly A. Hawkins

Holly A. Hawkins  
*Associate General Counsel for the North  
American Electric Reliability Corporation*

Enclosure

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with NERC Rules of Procedure section 805, associated with implementation of the U.S. EPA Clean Power Plan.”

To be clear, in its 2017 Business Plan and Budget Filing and the related proposed assessments for 2017, NPCC is not proposing any allocation of any specific “sub-regional reliability assessment costs in response to U.S. only regulatory initiatives” to U.S.-only BAAs, or an allocation of costs of its 2017 activities of the Reliability Assessment and Performance Analysis program in any manner other than on the basis of Net Energy for Load (“NEL”), nor is NPCC requesting pre-approval of any such allocation of such costs to U.S.-only BAAs,. Any such allocation could and would be requested only in a future year’s business plan and budget filing (or in a supplemental filing requesting approval to revise assessments), based on specific activities and costs and with complete supporting information. Further, before being included in a future year’s business plan and budget filing, any such proposed allocation would first be presented to and approved by (1) the NPCC Board of Directors, (2) the NERC Finance and Audit Committee (“FAC”), and (3) the NERC Board of Trustees. In approving NPCC’s 2017 Business Plan and Budget, NERC did not approve any special or separate allocation process for the allocation of costs of any such studies; and the NERC FAC advised NPCC that any such separate allocation, if proposed, would need to be reviewed based on the particular facts and circumstances surrounding any such study, if and when it were undertaken.

NERC has discussed this matter with NPCC and can state that NPCC is in agreement with the statements in the preceding paragraph.

Respectfully submitted,

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Michael Walker  
Senior Vice President and Chief  
Financial and Administrative Officer  
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/s/ Charles A. Berardesco  
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