



NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

November 22, 2010

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

RE: FERC Docket No. RM08-12-000

To Whom It May Concern:

On July 29, 2008, NERC filed a Petition for Approval of Regional Reliability Standard BAL-004-WECC-1 — Automatic Time Error Correction with the Commission for the Western Electricity Coordinating Council (“WECC”) Region. During evaluation of the standard, NERC identified shortcomings in the standard that WECC agreed to address by submitting a revised version of the standard for approval by the NERC Board of Trustees and FERC within 18 months after approval of the standard by the Commission. The Commission issued an Order on May 21, 2009, approving the BAL-004-WECC-1 standard (Order No. 723) but did not direct the timeframe for when these modifications were to be completed nor did the Commission address NERC’s commitment to file a revised standard within eighteen months.

The purpose of this letter is to provide a status report regarding the development of a modified BAL-004-WECC-1 standard. The WECC BAL-004 drafting team is working to modify the standard to address FERC directives from paragraphs 30, and 34 of Order No. 723. Specifically, the WECC drafting team is drafting language to clarify the phrases “large accumulation” and “in such a situation” (P30) and to clarify that the limit set forth in Requirement 2 of “24 hours per calendar quarter” is an accumulated total for the period, resulting from either a singular event or a cumulative time limit from a number of events (P34). As a result of these changes, the drafting team will also propose conforming revisions to the revised Violation Severity Levels that were filed on October 23, 2009 in response to paragraphs 26 and 54 of Order No. 723.

On October 16, 2009, a completed WECC Standards/Regional Criteria Request Form was distributed to the industry for review and comment. On November 6, 2009 the WECC Operating Committee was identified as the lead Standing Committee for this effort. Because Order No. 723 did not establish a deadline for addressing the directives, the WECC Operating Committee assigned a lower priority to address the directives and directed that WECC delay work on this project until other more critical matters are addressed.



The drafting team held their first meeting on November 10, 2010 in conjunction with a regularly scheduled WECC Performance Work Group meeting. The next meeting of the drafting team is scheduled for December 15, 2010.

WECC anticipates that it will have a draft standard developed and filed with FERC in eighteen months, *i.e.* by May 22, 2012. This will allow WECC time to develop the standard through the WECC standard development process, before sending the draft standard to NERC for review and for NERC Board of Trustees approval.

Should you have any questions, please contact me at (202) 393-3998 or at holly.hawkins@nerc.net.

Respectfully submitted,

/s/ Holly A. Hawkins
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