

## **Consideration of Comments on SAR and Proposal to Withdraw Three Midwest ISO Waivers from BAL-006 and INT-003 (Project 2009-18)**

The Requester and Drafting Team thanks all commenters who submitted comments on the SAR, the proposed revisions to the BAL-006-2 — Inadvertent Interchange standard, INT-003-3 — Interchange Transaction Implementation standard, and the associated implementation plan. These documents were all posted for a 45-day public comment period from April 22, 2009 through June 5, 2009. The stakeholders were asked to provide feedback on the documents through a special electronic comment form. There were 16 sets of comments, including comments from approximately 60 different people from more than 30 companies representing 9 of the 10 Industry Segments as shown in the table on the following pages.

In this “Consideration of Comments” document stakeholder comments have been arranged so that it is easier to see the responses associated with each question. All comments received on the standard can be viewed in their original format at:

[http://www.nerc.com/filez/standards/Project2009-18\\_Withdraw\\_Three\\_MISO\\_Waivers.html](http://www.nerc.com/filez/standards/Project2009-18_Withdraw_Three_MISO_Waivers.html)

The drafting team received only one comment on the SAR, and this comment was based on a misunderstanding that the requester was proposing changes to VRFs and VSLs – the requester is not proposing any changes to VRFs or VSLs, thus the SAR will remain unchanged.

- Stakeholders agreed that the waivers should be removed from the standards since MISO is now operating as its own Balancing Authority and the conditions under which the waivers were approved are no longer applicable.
- Stakeholders did not identify any associated business practices for consideration. One stakeholder suggested that a new SAR be developed to address a concern with resource planning for the Midwest ISO. Registration assignments or market design suggestions are not intended to be addressed in this SAR.
- Stakeholders agreed with the proposed modifications to BAL-006-2 and INT-003-3.
- One commenter suggested that the SAR DT also consider the removal of the third waiver reflected in the INT-003 standard - MISO Energy Flow Information Waiver. The Waiver was originally requested / approved to implement a multi-Control Area Energy Market. Even though the MISO Energy Flow Information Waiver says that it should also apply in the event that Control Areas in the RTO are combined into fewer Control Areas or into one Control Area it seems inconceivable that one would need a multi-control area waiver for one consolidated control area. The Midwest ISO considered recommending the removal of the Energy Flow Information Waiver, but felt the waiver was still applicable. The intent of the Energy Flow Information Waiver is to allow generation to load transfers to be uploaded to the IDC in lieu of eTags. The Midwest ISO believes this information is needed in the IDC to properly account for impacts on internal and external flowgates.

The drafting team made no changes to any of the standards following this comment period, and is recommending that the Standards Committee move the SAR forward and move the standards forward to for a pre-ballot review and subsequent balloting of the standards.

If you feel that your comment has been overlooked, please let us know immediately. Our goal is to give every comment serious consideration in this process! If you feel there has been an error or omission, you can contact the Vice President and Director of Standards, Gerry Adamski, at 609-452-8060 or at [gerry.adamski@nerc.net](mailto:gerry.adamski@nerc.net). In addition, there is a NERC Reliability Standards Appeals Process.<sup>1</sup>

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<sup>1</sup> The appeals process is in the Reliability Standards Development Procedures: <http://www.nerc.com/standards/newstandardsprocess.html>.

**Index to Questions, Comments, and Responses**

- 1. The SAR is limited to removing the identified MISO waivers from BAL-006-1 and INT-003-2. Do you agree that these waivers should be removed since MISO is now operating as its own Balancing Authority and the conditions under which the waivers were approved are no longer applicable? If not, please explain in the comment area. . 7
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The Industry Segments are:

- 1 — Transmission Owners
- 2 — RTOs, ISOs
- 3 — Load-serving Entities
- 4 — Transmission-dependent Utilities
- 5 — Electric Generators
- 6 — Electricity Brokers, Aggregators, and Marketers
- 7 — Large Electricity End Users
- 8 — Small Electricity End Users
- 9 — Federal, State, Provincial Regulatory or other Government Entities
- 10 — Regional Reliability Organizations, Regional Entities

		Commenter	Organization	Industry Segment										
				1	2	3	4	5	6	7	8	9	10	
1.	Individual	Edward C. Stein	Self-Retired									X		
2.	Individual	Greg Rowland	Duke Energy	X		X		X	X					
3.	Individual	Jeffrey V Hackman	Ameren Services	X										
4.	Individual	James H. Sorrels, Jr.	American Electric Power	X		X		X	X					
5.	Individual	Joe O'Brien	NIPSCO	X		X		X	X					
6.	Group	Guy Zito	Northeast Power Coordinating Council											X
		<b>Additional Member</b>	<b>Additional Organization</b>	<b>Region</b>	<b>Segment Selection</b>									
1.		Ralph Rufrano	New York Power Authority	NPCC	5									
2.		Al Adamson	New York State Reliability Council	NPCC	10									
3.		Gregory Campoli	New York Independent System Operator	NPCC	2									
4.		Roger Champagne	Hydro-Quebec TransEnergie	NPCC	2									

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	Commenter	Organization	Industry Segment																	
			1	2	3	4	5	6	7	8	9	10								
5.	Kurtis Chong	Independent Electricity System Operator	NPCC	2																
6.	Sylvain Clermont	Hydro-Quebec TransEnergie	NPCC	1																
7.	Manuel Couto	National Grid	NPCC	1																
8.	Chris de Graffenried	Consolidated Edison Co. of New York, Inc.	NPCC	1																
9.	Brian Evans-Mongeon	Utility Services	NPCC	8																
10.	Mike Garton	Dominion Resources Services, Inc.	NPCC	5																
11.	Brian Gooder	Ontario Power Generation Incorporated	NPCC	5																
12.	Kathleen Goodman	ISO - New England	NPCC	2																
13.	David Kiguel	Hydro One Networks Inc.	NPCC	1																
14.	Michael Lombardi	Northeast Lombardi	NPCC	1																
15.	Randy MacDonald	New Brunswick System Operator	NPCC	2																
16.	Bruce Metruck	New York Power Authority	NPCC	6																
17.	Robert Pellegrini	The United Illuminating Company	NPCC	1																
18.	Michael Schiavone	National Grid	NPCC	1																
19.	Chris Orzel	FPL Energy/NextEra Energy	NPCC	5																
20.	Peter Yost	Consolidated Edison Co. of New York, Inc.	NPCC	3																
21.	Gerry Dunbar	Northeast Power Coordinating Council	NPCC	10																
22.	Lee Pedowicz	Northeast Power Coordinating Council	NPCC	10																
7.	Individual	Alan Gale	City of Tallahassee					X												
8.	Individual	Kasia Mihalchuk	Manitoba Hydro	X		X		X	X											
9.	Group	Denise Koehn	Bonneville Power Administration	X		X		X	X											
	<b>Additional Member</b>	<b>Additional Organization</b>	<b>Region</b>	<b>Segment Selection</b>																
	1. Wes Hutchison	Transmission Operational Analysis & Support	WECC	1																
10.	Individual	Dan Rochester	Ontario IESO		X															

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		Commenter	Organization	Industry Segment											
				1	2	3	4	5	6	7	8	9	10		
11.	Group	Carol Gerou	NERC Standards Review Subcommittee												X
		<b>Additional Member</b>	<b>Additional Organization</b>	<b>Region</b>	<b>Segment Selection</b>										
		1. Neal Balu	Wisconsin Public Service	MRO	1, 3, 5										
		2. Terry Bilke	MISO	MRO	2										
		3. Ken Goldsmith	Alliant Energy	MRO	4										
		4. Jim Haigh	Western Area Power Administration	MRO	1, 6										
		5. Terry Harbour	MidAmerican Energy Company	MRO	1, 3, 5, 6										
		6. Joe Knight	Great River Energy	MRO	1, 3, 5, 6										
		7. Alice Murdock	Xcel Energy	MRO	1, 3, 5, 6										
		8. Scott Nickels	Rochester Public Utilities	MRO	3, 4, 5, 6										
		9. Dave Rudolph	Basin Electric Power Cooperative	MRO	1, 3, 5, 6										
		10. Eric Ruskamp	Lincoln Electric System	MRO	1, 3, 5, 6										
12.	Group	Phil Riley	Public Service Commission of South Carolina											X	
		<b>Additional Member</b>	<b>Additional Organization</b>	<b>Region</b>	<b>Segment Selection</b>										
		1. Mignon L. Clyburn	Public Service Commission of South Carolina	SERC	9										
		2. Elizabeth B. "Lib" Fleming	Public Service Commission of South Carolina	SERC	9										
		3. G. O'Neal Hamilton	Public Service Commission of South Carolina	SERC	9										
		4. John E. "Butch" Howard	Public Service Commission of South Carolina	SERC	9										
		5. Randy Mitchell	Public Service Commission of South Carolina	SERC	9										
		6. Swain E. Whitfield	Public Service Commission of South Carolina	SERC	9										
		7. David A. Wright	Public Service Commission of South Carolina	SERC	9										
13.	Group	Patrick Brown	PJM		X										
14.	Group	Jim Case	SERC OC Standards Review Group	X		X		X							
		<b>Additional Member</b>	<b>Additional Organization</b>	<b>Region</b>	<b>Segment Selection</b>										

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	Commenter	Organization	Industry Segment																	
			1	2	3	4	5	6	7	8	9	10								
	1. Tim Hattaway	PowerSouth Energy Cooperative	SERC	1, 3, 5																
	2. Keith Steinmetz	EON-US	SERC	1, 3, 5																
	3. John Troha	SERC Reliability Corporation	SERC	10																
	4. Marc Butts	Southern Company	SERC	1, 3																
15.	Individual	Jason Marshall	Midwest ISO		X															
16.	Individual	Doug Hohlbaugh	FirstEnergy	X		X	X	X	X	X										

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1. The SAR is limited to removing the identified MISO waivers from BAL-006-1 and INT-003-2. Do you agree that these waivers should be removed since MISO is now operating as its own Balancing Authority and the conditions under which the waivers were approved are no longer applicable? If not, please explain in the comment area.

**Summary Consideration:** Stakeholders agreed that the waivers should be removed since MISO is now operating as its own Balancing Authority and the conditions under which the waivers were approved are no longer applicable.

Organization	Yes or No	Question 1 Comment
Ameren Services	No	While the stated purpose is "limited to removing MISO waivers", the redline for the the INT shows in the revision block that VRF and VSL will be modified. This looks like a back door revision under this SAR language.
<p><b>Response:</b> Thank you for your comment. A set of approved VRFs and VSLs exist for this standard. These VRF's and VSL's are in the documents contained here:</p> <p><b>VRF's:</b>  <a href="http://www.nerc.com/docs/standards/rs/VRF_Standards_Applicability_Matrix_2009Feb3.xls">http://www.nerc.com/docs/standards/rs/VRF_Standards_Applicability_Matrix_2009Feb3.xls</a></p> <p><b>VSL's:</b>  <a href="http://www.nerc.com/docs/standards/rs/VSL_Matrix_2009Feb10.doc">http://www.nerc.com/docs/standards/rs/VSL_Matrix_2009Feb10.doc</a></p> <p>The VRF's and VSL's inserted into the INT standard are only the approved elements from these documents. It is the intention of NERC to insert these into revisions to standards so that the complete standard is available in a single document. There will be no revisions to either the VRF's or the VSL's under this project.</p>		
Edward C. Stein	Yes	
Duke Energy	Yes	
American Electric Power	Yes	

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Organization	Yes or No	Question 1 Comment
NIPSCO	Yes	
City of Tallahassee	Yes	
Manitoba Hydro	Yes	
Bonneville Power Administration	Yes	
Ontario IESO	Yes	
NERC Standards Review Subcommittee	Yes	
Public Service Commission of South Carolina	Yes	
PJM	Yes	
SERC OC Standards Review Group	Yes	
Midwest ISO	Yes	
FirstEnergy	Yes	



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**2. Are you aware of any associated business practices that we should consider with this SAR? If yes, please explain in the comment area.**

**Summary Consideration:** Stakeholders did not identify any associated business practices for consideration. One stakeholder suggested that a new SAR be developed to address a concern with Resource Planning for the Midwest ISO. Registration assignments or market design suggestions are not intended to be addressed in this SAR.

Organization	Yes or No	Question 2 Comment
Edward C. Stein	Yes	This is more of a reliability practice than a business practice. It is my understanding that MISO has not accepted the reliability role of Resource Planner (RP), similar to PJM, even though they have accepted the role of Balancing Authority (BA) and run one of the largest electricity Markets in America. The only difference that I see is that MISO runs an energy only market where as PJM runs both an energy market and a capacity market. It very well may be that MISO is moving towards two markets, energy and capacity. My concern is that given the time that it took MISO to become a BA, it will take even longer for MISO to move towards two markets and the role of RP. I recommend that the Drafting Team develop a separate SAR to address the RP issue in order to speed the process of eliminating the MISO waivers since they truly are a BA.
<b>Response:</b> Thank you for your comment. Registration assignments or market design suggestions are not intended to be addressed in this SAR.		
City of Tallahassee	Yes	
Duke Energy	No	
Ameren Services	No	
American Electric Power	No	
NIPSCO	No	

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Organization	Yes or No	Question 2 Comment
Manitoba Hydro	No	
Bonneville Power Administration	No	
Ontario IESO	No	
NERC Standards Review Subcommittee	No	
Public Service Commission of South Carolina	No	
PJM	No	
SERC OC Standards Review Group	No	
Midwest ISO	No	
FirstEnergy	No	

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3. Do you agree with the proposed modifications to BAL-006-2 and INT-003-3? If not, please explain in the comment area.

**Summary Consideration:** Stakeholders agreed with the proposed modifications to BAL-006-2 and INT-003-3.

Organization	Yes or No	Question 3 Comment
Ameren Services	No	See response to Q1
<b>Response:</b> Please see response to Question 1.		
Edward C. Stein	Yes	
Duke Energy	Yes	
American Electric Power	Yes	
NIPSCO	Yes	
City of Tallahassee	Yes	
Manitoba Hydro	Yes	
Bonneville Power Administration	Yes	
Ontario IESO	Yes	
NERC Standards Review Subcommittee	Yes	
Public Service Commission of	Yes	

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Organization	Yes or No	Question 3 Comment
South Carolina		
PJM	Yes	
SERC OC Standards Review Group	Yes	
Midwest ISO	Yes	
FirstEnergy	Yes	

4. If you have any other comments on the SAR or proposed modifications to BAL-006-2 or INT-003-3 that you haven't provided in response to the previous questions, please provide them here.

**Summary Consideration:** One commenter suggested that the SAR DT also consider the removal of the third waiver reflected in the INT-003 standard - MISO Energy Flow Information Waiver. The Waiver was originally requested / approved to implement a Multi-Control Area Energy Market. Even though the MISO Energy Flow Information Waiver says that it should also apply in the event that Control Areas in the RTO are combined into fewer Control Areas or into one Control Area it seems inconceivable that one would need a multi-control area waiver for one consolidated control area. The Midwest ISO considered recommending the removal of the Energy Flow Information Waiver, but felt the waiver was still applicable. The intent of the Energy Flow Information Waiver is to allow generation to load transfers to be uploaded to the IDC in lieu of eTags. The Midwest ISO believes this information is needed in the IDC to properly account for impacts on internal and external flowgates.

Organization	Question 4 Comment
FirstEnergy	<p>FirstEnergy agrees that the BAL-006 waiver is obsolete given the Amended BA Agreement and matrix whereby MISO alone calculates and records its own inadvertent interchange and verifies net interchange with its neighbors. Absent the Amended BA Agreement/Matrix, the waiver was needed to give MISO an inadvertent account for its market. The waiver also specified that control areas within MISO would operate to net scheduled interchange with MISO, which is no longer the case under the Amended BA Agreement/Matrix. FirstEnergy also supports the two identified waivers proposed for removal from the INT-003 standard as they are also unneeded since the Amended BA Agreement/Matrix assigns interchange scheduling solely to MISO. FirstEnergy ask that the SAR DT also consider the removal of the third waiver reflected in the INT-003 standard - MISO Energy Flow Information Waiver. The Waiver was originally requested/approved to implement a multi-Control Area Energy Market. Even though the MISO Energy Flow Information Waiver says that it should also apply in the event that Control Areas in the RTO are combined into fewer Control Areas or into one Control Area it seems inconceivable that one would need a multi-control area waiver for one consolidated control area. We ask that the SAR DT reconsider the need for the MISO Energy Flow Information Waiver and provide reason for its continued use if deemed appropriate.</p>
<p><b>Response:</b> Thank you for your comment. The Midwest ISO considered recommending the removal of the Energy Flow Information Waiver, but felt the waiver was still applicable. The intent of the Energy Flow Information Waiver is to allow generation to load transfers to be uploaded to the IDC in lieu of eTags. The Midwest ISO believes this information is needed in the IDC to properly account for impacts on internal and external flowgates.</p>	

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<b>Organization</b>	<b>Question 4 Comment</b>
Northeast Power Coordinating Council	We don't have any comments at the present time.
NERC Standards Review Subcommittee	N/A