

Consideration of Comments

Standard Processes Manual Revisions to Implement SPIG Recommendations

The SPM Revisions to Implement SPIG Recommendations Drafting Team thanks all commenters who submitted comments on Draft 3 of the Standard Processes Manual (SPM) revisions. The revisions were posted for a 30-day public comment period from November 21, 2012 through December 20, 2012. Stakeholders were asked to provide feedback on the revisions through a special electronic comment form. There were 41 sets of comments, including comments from approximately 117 different people from approximately 101 companies representing 9 of the 10 Industry Segments as shown in the table on the following pages.

All comments submitted may be reviewed in their original format on the standard's [project page](#).

Summary Consideration:

The SCPS reviewed all of the comments from the comment period that ended December 20, 2012, and has made the following non-substantive changes in response to the comments:

- **Section 1.0 Introduction** – conformed the language concerning consensus to match Section 4.10: Criteria for Ballot Pool Approval.
- **Section 2.5 Elements of a Reliability Standard** – clarified language in the footnote concerning “Compliance Elements” to conform to clarifications made in section 3.10.
- **Section 3.10 Compliance Monitoring and Enforcement Program** – clarified that Compliance Monitoring and Enforcement staff are responsible for developing compliance tools such as RSAWs, not Compliance Elements.
- **Section 4.5 Informal Feedback** – added a sentence to clarify that drafting teams are encouraged to reach out to individual stakeholders to facilitate resolution of identified stakeholder concerns.
- **Section 4.10 Criteria for Ballot Pool Approval** – corrected language indicating how a quorum would be determine, removing the phrase “excluding unreturned ballots” to address comments that this language would result in quorum never being less than 100%.
- **Section 4.11 Voting Positions** – clarified the footnote describing the treatment of negative votes in a Final Ballot.
- **Section 7.0 Interpretations** – clarified that an Interpretation Drafting Team (IDT) may, but is not required to, submit a Standards Authorization Request to the Standards Committee when it notifies the Standards Committee if the IDT determines that there is a reliability gap.

- **Charts** – adopted suggestion to clarify language in the last step of several charts to indicate that BOT-approved documents are filed with Applicable Governmental Authorities. (Note that the chart changes are not redlined.)

There are a small number of unresolved minority issues. First, a few stakeholders continue to be opposed to inclusion of a waiver provision, citing concerns that it “violates ANSI” or jeopardizes NERC’s ANSI accreditation. Others believe that with Rule 321, the Board of Trustees has sufficient authority to make a waiver provision unnecessary. A few others suggested further limiting the circumstances in which a waiver may be exercised. The Standards Committee continues to believe that, with the inclusion of a notice provision and immediate reporting of each waiver to the Board of Trustees’ Standards Oversight and Technology Committee, the waiver provision is an appropriate mechanism to provide flexibility for circumstances that are impossible to foresee, while continuing to place the highest priority on developing consensus standards. The SC believes that use of the waiver provision should be extremely limited, but is nevertheless necessary to preserve the ERO model.

One Canadian entity expressed concerns with the definition of the term “Compliance Enforcement Authority”, indicating that it is inconsistent with jurisdictional authority in their Canadian province. The Standards Committee has reported this concern to NERC Legal because it is not within the SC’s authority.

Finally, a small number of entities continue to express concerns with the proposed treatment of “no” votes without comments. The Standards Committee recognizes these concerns but believes a key consideration in pursuing this approach in handling ‘no’ votes is that in their entirety, the proposed process revisions represent a significant paradigm shift in NERC standards development, with the intent of making more efficient use of industry resources deployed in all aspects of drafting, reviewing and commenting, and balloting of standards.

The shift is a change away from negotiation of a standard through a lengthy and resource-intensive series of formal comment periods and multiple successive ballots, and towards developing strong consensus on the front end of the process, first on the need for a standard and the technical foundation to support developing a standard, and second on the approach that the standard should take to address the identified reliability need. The drafting team would be charged with developing consensus through informal mechanisms, such as working with industry groups, holding technical conferences, webinars, or workshops, and other informal means. The purpose of the ballot in this paradigm would be to *test* consensus rather than serve as a tool toward building consensus.

A small number of commenters expressed concerns that manually correlating ballots with comments may create inefficiencies, or introduce unfairness. NERC has committed to developing the necessary system improvements to support process changes. In the event that a balloter submits a ‘no’ vote that is not obviously associated with a submitted comment, the balloter would first be contacted to determine whether a comment had been submitted and if not, whether the entity wished to provide a comment. If the entity did not wish to submit a comment or support the comments of another entity,

they would be informed of the SPM policy on negative ballots without an associated comment and the appeals process contained in Section 8 of the SPM.

The SC, its subcommittees, and NERC staff are grateful for the industry participation and input to develop SPM revisions that result in efficient use of industry resources to develop high-quality results-based standards in a timely manner.

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, Mark Lauby, at 404-446-2560 or at mark.lauby@nerc.net. In addition, there is a NERC Reliability Standards Appeals Process.¹

Index to Questions, Comments, and Responses

1. Although a number of commenters expressed concern about discounting negative ballots without comments in the determination or consensus, the SC believes that this is a necessary and reasonable step to provide drafting teams with the information needed to develop a consensus standard. In the proposed revisions to the SPM, all negative votes with comments, including those votes submitted by balloters that participated in the development of group comments, will count in the determination of both a quorum as well as consensus. Although some commenters identified that this may cause some

¹ The appeals process is in the Standard Processes Manual: http://www.nerc.com/files/Appendix_3A_StandardsProcessesManual_20120131.pdf

balloters to submit meaningless comments with their ‘no’ vote, the SC believes that the opportunity to participate in submitting comments through one of the many industry groups that develop consensus comments provides stakeholders who do not wish to develop their own set of comments with opportunities to inform standard drafting teams of their concerns without resorting to such tactics. Several commenters identified that during a Final ballot, there is no comment period. There is no obligation in the current SPM to accept comments during a recirculation ballot, and the proposed revisions to the SPM are consistent in that there is no comment period associated with a Final Ballot. Therefore, all ‘no’ votes submitted in a Final Ballot will count toward determination of both the quorum and consensus. Clarifying language and a new Footnote 24 have been inserted in section 4.11, to clarify this important point. Footnote 24 reads: The Final Ballot is used to confirm consensus achieved during the Formal Comment and Ballot stage. Ballot Pool members voting negative on the Final Ballot will be deemed to have commented or supported the comments of other groups during prior Formal Comment periods. With these revisions, indicated in redline form in the posted SPM, do you believe the proposed treatment of ‘no’ votes provides a fair opportunity for industry stakeholders to participate in the development of a consensus standard? If not, please provide a specific alternative that will ensure that a drafting team has the necessary stakeholder input to develop a consensus standard in a timely manner.13

2. In the first posted revisions to the SPM, the SCPS proposed the addition of section 16.0, which introduced a waiver provision to allow the SC some flexibility in administering the standards process to meet reliability needs. In other words, the waiver process allows the SC to modify the standards process in rare cases for good cause. In response to stakeholder concerns regarding transparency, openness and due process protections, the SCPS incorporated the concept of a notice period for stakeholders prior to consideration of a waiver request by the Standards Committee and clarified how notice to stakeholders will be provided when the waiver provision is exercised. We have also incorporated a provision for the immediate reporting of waivers by the Standards Committee to the Standards Oversight & Technology Committee of the Board of Trustees. With the addition of these steps, can you support the addition of the waiver provision in section 16.0?30
3. If you have any other comments on proposed revisions that you haven’t previously raised, please provide them here:.....46

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

Group/Individual		Commenter	Organization	Registered Ballot Body Segment										
				1	2	3	4	5	6	7	8	9	10	
1.	Group	Randi Heise	Dominion	X		X		X	X					
Additional Member Additional Organization Region Segment Selection														
1.	Connie	Lowe	RFC	5, 6										
2.	Mike	Garton	MRO	5, 6										
3.	Louis	Slade	NPCC	5, 6										
4.	Michael	Crowley	SERC	1, 3, 6										
2.	Group	Guy Zito	Northeast Power Coordinating Council											X
Additional Member Additional Organization Region Segment Selection														
1.	Alan Adamson	New York State Reliability Council, LLC	NPCC	10										
2.	Carmen Agavrioloai	Independent Electricity System Operator	NPCC	2										
3.	Greg Campoli	New York Independent System Operator	NPCC	2										

Group/Individual	Commenter	Organization	Registered Ballot Body Segment																		
			1	2	3	4	5	6	7	8	9	10									
4.	Donald Weaver	New Brunswick System Operator	NPCC	2																	
5.	Gerry Dunbar	Northeast Power Coordinating Council	NPCC	10																	
6.	Sylvain Clermont	Hydro-Quebec TransEnergie	NPCC	1																	
7.	Brian Robinson	Utility Services	NPCC	8																	
8.	Kathleen Goodman	ISO - New England	NPCC	2																	
9.	Ben Wu	Orange and Rockland Utilities	NPCC	1																	
10.	David Kiguel	Hydro One Networks Inc.	NPCC	1																	
11.	Christina Koncz	PSEG Power LLC	NPCC	5																	
12.	Randy MacDonald	New Brunswick Power Transmission	NPCC	9																	
13.	Bruce Metruck	New York Power Authority	NPCC	6																	
14.	Silvia Parada Mitchell	NextEra Energy, LLC	NPCC	5																	
15.	Lee Pedowicz	Northeast Power Coordinating Council	NPCC	10																	
16.	Wayne Sipperly	New York Power Authority	NPCC	5																	
17.	Si-Truc Phan	Hydro-Quebec TransEnergie	NPCC	1																	
18.	David Ramkalawan	Ontario Power Generation, Inc.	NPCC	5																	
3.	Group	David Dockery	Associated Electric Cooperative, Inc. - JRO00088		X		X		X	X											
		Additional Member	Region	Segment Selection																	
1.	Central Electric Power Cooperative	SERC	1, 3																		
2.	KAMO Electric Cooperative	SERC	1, 3																		
3.	M & A Electric Power Cooperative	SERC	1, 3																		
4.	Northeast Missouri Electric Power Cooperative	SERC	1, 3																		
5.	N.W. Electric Power Cooperative, Inc.	SERC	1, 3																		
6.	Sho-Me Power Electric Cooperative	SERC	1, 3																		
4.	Group	Joseph DePoorter	Midwest Reliability Organization NERC Standards Review Forum		X		X	X	X	X											
		Additional Member	Additional Organization	Region	Segment Selection																
1.	Mahmood Safi	OPPD	MRO	1, 3, 5, 6																	
2.	Chuck Lawrence	ATC	MRO	1																	
3.	Tom Breene	WPS	MRO	3, 4, 5, 6																	
4.	Jodi Jenson	WAPA	MRO	1, 6																	
5.	Ken Goldsmith	ALTW	MRO	4																	

Group/Individual	Commenter	Organization	Registered Ballot Body Segment																		
			1	2	3	4	5	6	7	8	9	10									
6.	Alice Ireland	XCEL (NSP)	MRO	1, 3, 5, 6																	
7.	Dave Rudolph	BEPC	MRO	1, 3, 5, 6																	
8.	Kayleigh Wilkerson	LES	MRO	1, 3, 5, 6																	
9.	Joseph DePoorter	MGE	MRO	3, 4, 5, 6																	
10.	Scott Nickels	RPU	MRO	4																	
11.	Terry Harbour	MEC	MRO	1, 3, 5, 6																	
12.	Lee Kittelson	OTP	MRO	1, 3, 5, 6																	
13.	Scott Bos	MPW	MRO	1, 3, 5, 6																	
14.	Tony Eddleman	NPPD	MRO	1, 3, 5																	
15.	Mike Brytowski	GRE	MRO	1, 3, 5, 6																	
16.	Dan Inman	MPC	MRO	1, 3, 5, 6																	
5.	Group	Steve Alexanderson P.E.	Western Small Entity Comment Group					X	X											X	
	Additional Member	Additional Organization	Region	Segment Selection																	
1.	Russell A. Noble	Cowlitz County PUD No. 1	WECC	3, 4, 5																	
2.	Russ Schneider	Flathead Electric	WECC	3, 4																	
3.	Rick Paschall	Blachly-Lane Electric Cooperative	WECC	3																	
4.	Rick Paschall	Central Electric Cooperative	WECC	1, 3																	
5.	Rick Paschall	Consumers Power	WECC	3																	
6.	Rick Paschall	Clearwater Power Company	WECC	3																	
7.	Rick Paschall	Douglas Electric Cooperative	WECC	3																	
8.	Rick Paschall	Fall River Rural Electric Cooperative	WECC	3																	
9.	Rick Paschall	Northern Lights	WECC	3																	
10.	Rick Paschall	Lane Electric Cooperative	WECC	3																	
11.	Rick Paschall	Lincoln Electric Cooperative	WECC	3																	
12.	Rick Paschall	Raft River Rural Electric Cooperative	WECC	3																	
13.	Rick Paschall	Lost River Electric Cooperative	WECC	3																	
14.	Rick Paschall	Salmon River Electric Cooperative	WECC	3																	
15.	Rick Paschall	Umatilla Electric Cooperative	WECC	1, 3																	
16.	Rick Paschall	Coos-Curry Electric Cooperative	WECC	3																	
17.	Rick Paschall	West Oregon Electric Cooperative	WECC	4																	
18.	Rick Paschall	Pacific Northwest Generating Cooperative	WECC	3, 4, 8																	

Group/Individual		Commenter	Organization	Registered Ballot Body Segment									
				1	2	3	4	5	6	7	8	9	10
19. Rick Paschall		Power Resources Cooperative	WECC 5										
6.	Group	Bill Middaugh	Tri-State G&T	X		X		X					
Additional Members													
Tracy Sliman													
Mark Stein													
Janelle Marriott-Gill													
7.	Group	Denise Koehn	Bonneville Power Administration	X		X		X	X				
Additional Member Additional Organization Region Segment Selection													
1. Lorissa Jones BPA, Transmission Reliability Program WECC 1													
8.	Group	Cindy Stewart	FirstEnergy	X		X	X	X	X				
Additional Member Additional Organization Region Segment Selection													
1. William Smith FirstEnergy Corp RFC 1													
2. Steve Kern FirstEnergy Energy Delivery RFC 3													
3. Doug Hohlbaugh Ohio Edison RFC 4													
4. Ken Dresner FirstEnergy Solutions RFC 5													
5. Kevin Querry FirstEnergy Solutions RFC 6													
9.	Group	Sasa Maljukan	Hydro One	X									
Additional Member Additional Organization Region Segment Selection													
1. David Kiguel Hydro One Networks Inc. NPCC 1													
10.	Group	Brent Ingebrigtsen	PPL NERC Registered Affiliates	X		X		X	X				
Additional Member Additional Organization Region Segment Selection													
1. Brenda Truhe PPL Electric Utilities Corporation RFC 1													
2. Annette Bannon PPL Generation, LLC on behalf of Supply NERC Registered Affiliates RFC 5													
3. WECC 5													
4. Elizabeth Davis PPL EnergyPlus, LLC MRO 6													
5. NPCC 6													
6. SERC 6													
7. SPP 6													
8. RFC 6													
9. WECC 6													

Group/Individual		Commenter	Organization	Registered Ballot Body Segment											
				1	2	3	4	5	6	7	8	9	10		
11.	Group	Robert Rhodes	SPP Standards Review Group		X										
Additional Member		Additional Organization	Region	Segment Selection											
1.	John Boshears	City Utilities of Springfield	SPP	1, 4											
2.	Bo Jones	Westar Energy	SPP	1, 3, 5, 6											
3.	Tiffany Lake	Westar Energy	SPP	1, 3, 5, 6											
12.	Group	Frank Gaffney	Florida Municipal Power Agency	X		X	X	X	X						
Additional Member		Additional Organization	Region	Segment Selection											
1.	Timothy Beyrle	City of New Smyrna Beach	FRCC	4											
2.	Jim Howard	Lakeland Electric	FRCC	3											
3.	Greg Woessner	Kissimmee Utility Authority	FRCC	3											
4.	Lynne Mila	City of Clewiston	FRCC	3											
5.	Cairo Vanegas	Fort Pierce Utility Authority	FRCC	4											
6.	Randy Hahn	Ocala Utility Service	FRCC	3											
13.	Group	Ed Skiba	ISO/RTO Council's Standards Review Committee		X										
Additional Member		Additional Organization	Region	Segment Selection											
1.	Ali Miremadi	CA-ISO	WECC	2											
2.	Steve Myers	ERCOT	ERCOT	2											
3.	Ben Li	IESO	NPCC	2											
4.	Kathleen Goodman	ISO-NE	NPCC	2											
5.	Greg Campoli	NY-ISO	NPCC	2											
6.	Charles Yeung	SPP	SPP	2											
14.	Group	Jason Marshall	ACES							X					
Additional Member		Additional Organization	Region	Segment Selection											
1.	Shari Heino	Brazos Electric Power Cooperative	ERCOT	1, 5											
2.	Mohan Sachdeva	Buckeye Power	RFC	3, 4											
3.	John Shaver	Arizona Electric Power Cooperative	WECC	4, 5											
4.	John Shaver	Southwest Transmission Cooperative	WECC	1											
5.	Scott Brame	North Carolina Electric Membership Corporation	SERC	1, 3, 4, 5											
15.	Group	Brenda Hampton	Luminant							X					
Additional Member		Additional Organization	Region	Segment Selection											

Group/Individual	Commenter	Organization	Registered Ballot Body Segment											
			1	2	3	4	5	6	7	8	9	10		
1. Rick Terrill Luminant Generation Company LLC ERCOT 5														
16.	Individual	Janet Smith, Regulatory Affairs Supervisor	Arizona Public Service Company	X		X		X	X					
17.	Individual	ryan millard	pacificorp	X		X		X	X					
18.	Individual	Antonio Grayson	Southern Company	X		X		X	X					
19.	Individual	Chris de Graffenried	Consolidated Edison Co. of NY, Inc.	X		X		X	X					
20.	Individual	Patrick Brown	Essential Power, LLC					X						
21.	Individual	Russ Schneider	Flathead Electric Cooperative, Inc.			X	X							
22.	Individual	Thad Ness	American Electric Power	X		X		X	X					
23.	Individual	Andrew Z. Puztai	American Transmission Company	X										
24.	Individual	David Ramkalawan	Ontario Power Generation					X						
25.	Individual	Michael Falvo	Independent Electricity System Operator		X									
26.	Individual	Mike Hendrix	Idaho Power Company	X		X								
27.	Individual	Brett Holland	Kansas City Power & Light	X		X		X	X					
28.	Individual	Eric Scott	City of Palo Alto			X								
29.	Individual	Scott McGough	Georgia System Operations			X								
30.	Individual	David Jendras	Ameren	X		X		X	X					
31.	Individual	Kathleen Goodman	ISO New England Inc.		X									
32.	Individual	Richard Vine	California Independent System Operator		X									
33.	Individual	Lynne Mila	City of Clewiston	X										
34.	Individual	Larry Watt	Lakeland Electric	X		X		X	X					
35.	Individual	Eric Salsbury	Consumers Energy			X	X	X						
36.	Individual	Nazra Gladu	Manitoba Hydro	X		X		X	X					
37.	Individual	Cheryl Moseley	Electric Reliability Council of Texas, Inc.		X									
38.	Individual	Barry Lawson	National Rural Electric Cooperative Association (NRECA)			X	X							
39.	Individual	Jason Snodgrass	Georgia Transmission Corp	X										

Group/Individual		Commenter	Organization	Registered Ballot Body Segment										
				1	2	3	4	5	6	7	8	9	10	
40.	Individual	Tony Kroskey	Brazos Electric Power Cooperative, Inc.	X										
41.	Individual	Darryl Curtis	Oncor Electric Delivery Company LLC	X										

If you support the comments submitted by another entity and would like to indicate you agree with their comments, please select "agree" below and enter the entity's name in the comment section (please provide the name of the organization, trade association, group, or committee, rather than the name of the individual submitter).

Organization	Supporting Comments of "Entity Name"
Brazos Electric Power Cooperative, Inc.	ACES Power Marketing
City of Clewiston	Florida Municipal Power Agency (FMPA)
Lakeland Electric	Lakeland Electric Supports FMPA Comments
Electric Reliability Council of Texas, Inc.	IRC Standards Review Committee. ERCOT supports the SRC comments to questions 1 and 3.
ISO New England Inc.	ISO/RTO Standards Review Committee; ISO-NE supports the majority of the changes being considered with the exception to the Standards Committee Waiver provision, as written.
California Independent System Operator	Standards Review Committee (SRC) - ISO/RTOs
Georgia Transmission Corp	National Rural Electric Cooperative Association (NRECA)
Associated Electric Cooperative, Inc. - JRO00088	NRECA
Georgia System Operations	NRECA
Consolidated Edison Co. of NY, Inc.	NPCC = Northeast Power Coordinating Council
Hydro One	NPCC RSC
Flathead Electric Cooperative, Inc.	Western Small Entity Comment Group submitted by Steve Alexanderson of Central Lincoln PUD

- 1. Although a number of commenters expressed concern about discounting negative ballots without comments in the determination or consensus, the SC believes that this is a necessary and reasonable step to provide drafting teams with the information needed to develop a consensus standard. In the proposed revisions to the SPM, all negative votes with comments, including those votes submitted by balloters that participated in the development of group comments, will count in the determination of both a quorum as well as consensus. Although some commenters identified that this may cause some balloters to submit meaningless comments with their 'no' vote, the SC believes that the opportunity to participate in submitting comments through one of the many industry groups that develop consensus comments provides stakeholders who do not wish to develop their own set of comments with opportunities to inform standard drafting teams of their concerns without resorting to such tactics. Several commenters identified that during a Final ballot, there is no comment period. There is no obligation in the current SPM to accept comments during a recirculation ballot, and the proposed revisions to the SPM are consistent in that there is no comment period associated with a Final Ballot. Therefore, all 'no' votes submitted in a Final Ballot will count toward determination of both the quorum and consensus. Clarifying language and a new Footnote 24 have been inserted in section 4.11, to clarify this important point. Footnote 24 reads: The Final Ballot is used to confirm consensus achieved during the Formal Comment and Ballot stage. Ballot Pool members voting negative on the Final Ballot will be deemed to have commented or supported the comments of other groups during prior Formal Comment periods. With these revisions, indicated in redline form in the posted SPM, do you believe the proposed treatment of 'no' votes provides a fair opportunity for industry stakeholders to participate in the development of a consensus standard? If not, please provide a specific alternative that will ensure that a drafting team has the necessary stakeholder input to develop a consensus standard in a timely manner.**

Summary Consideration:

Many commenters expressed support for the revisions made in the previous posting to clarify handling of 'no' votes. A few commenters continued to express concerns regarding fair treatment of ballot pool members that NERC staff determines have cast negative ballots without comments, including the ability of NERC staff to manually match ballots to comments and the inefficiencies introduced by the need to do so. The Standards Committee recognizes these concerns but believes a key consideration in pursuing this approach in handling 'no' votes is that in their entirety, the proposed process revisions represent a significant paradigm shift in NERC standards development, with the intent of making more efficient use of industry resources deployed in all aspects of drafting, reviewing and commenting, and balloting of standards.

The shift is a change away from negotiation of a standard through a lengthy and resource-intensive series of formal comment periods and multiple successive ballots, and towards developing strong consensus on the front end of the process, first on the need for a standard and the technical foundation to support developing a standard, and second on the approach that the standard should take to address the identified reliability need. The drafting team would be charged with developing consensus through informal mechanisms,

such as working with industry groups, holding technical conferences, webinars, or workshops, and other informal means. The purpose of the ballot in this paradigm would be to **test** consensus rather than serve as a tool toward building consensus.

Regarding concerns that manually correlating ballots with comments may create inefficiencies, or introduce unfairness, NERC has committed to developing the necessary system improvements to support process changes. In the event that a balloter submits a ‘no’ vote that is not obviously associated with a submitted comment, the balloter would first be contacted to determine whether a comment had been submitted and if not, whether the entity wished to provide a comment. If the entity did not wish to submit a comment or support the comments of another entity, they would be informed of the SPM policy on negative ballots without an associated comment and the appeals process contained in Section 8 of the SPM.

A small number of commenters expressed concerns about balloters withholding votes and affecting the ability to achieve a quorum. The Standards Committee is aware of this concern but believes that strengthening consensus building, as described above, will minimize this problem.

In response to comments, the Standards Committee and drafting team adopted clarifications to the footnote as suggested by one commenter, but made no substantive changes. The revised footnote now reads:

The Final Ballot is used to confirm consensus achieved during the Formal Comment and Ballot stage. Ballot Pool members voting negative on the Final Ballot will be deemed to have expressed the reason for their negative ballot in their own comments or the comments of others during prior Formal Comment periods.

Organization	Yes or No	Question 1 Comment
Western Small Entity Comment Group	No	The comment group agrees the present process provides no method for submitting comments during a final ballot, so the footnote is justified. We also agree that comments should be encouraged in order to achieve clear enforceable standards. We remain uncertain, though, just what is achieved by carefully removing the negative ballots without comments from the ballot just prior to the Final, only to add them back in for the Final ballot. Also, it appears that negative votes without comments prior to the Final ballot would still not be counted toward consensus, but would count toward quorum. This effectively uses no votes toward approval and does not seem appropriate. As we pointed out in our last comment, the accurate removal of these ballots is not easily accomplished considering all the ways an individual might comment indirectly. We remain unconvinced this effort is justified

Organization	Yes or No	Question 1 Comment
		<p>when the negative ballots without comments will be added back in for the Final ballot. In addition, as we assume the drafting team is aware, but are pointing out under an abundance of caution, not reaching consensus on a standard is an acceptable result under both the Standards Development Process and under the authority delegated to NERC and the industry to develop mandatory and enforceable standards. The goal is not to approve a standard at all costs, the goal is to approve standards that are acceptable to the industry and serve a legitimate reliability interest. There is adequate authority at the NERC Board for addressing instances where a reliability need is not successfully addressed by a consensus standards development project. Hence, there is no legitimate reason to limit the voting input of the industry during the development process. In addition, FERC has specifically identified criteria that warrants a standard and if the resulting standard does not reach consensus, that may be an appropriate result. For example, “321. The proposed Reliability Standard must address a reliability concern that falls within the requirements of section 215 of the FPA. That is, it must provide for the reliable operation of Bulk-Power System facilities. It may not extend beyond reliable operation of such facilities or apply to other facilities.....”</p> <p>http://www.nerc.com/files/FERCs_Criteria_for_Approving_Reliability_Standards.pdf</p> <p>The SDT seems to focus the justification for the voting changes on the ANSI standards for developing standards, which certainly allow for the type of changes proposed. However, the ANSI standards are silent on authority to approve or disprove standards as designated by Congress to FERC and then delegated to NERC. Hence, the ANSI standards are only part of the consideration for what is appropriate, not the only measure. Our specific recommendation would be to continue to count no votes regardless of whether they are associated with a comment for both quorum and approval. However, if the SDT is unwilling to make that adjustment, an additional alternative would be to count only no votes with comments for both quorum and approval, except for the final ballot and then count all votes for both quorum and approval.</p>

Response: Thank you for your comments. Participation in the NERC Ballot Pools comes with responsibility to participate, and in the

Organization	Yes or No	Question 1 Comment
		<p>process revisions that are being developed, the intent is that by encouraging balloters to submit a comment in order for their ‘no’ vote to count toward approval, a standard drafting team would have enough information be able to resolve many issues prior to the final ballot. Another key consideration in pursuing this approach in handling ‘no’ votes is that in their entirety, the proposed process revisions represent a significant paradigm shift in NERC standards development, with the intent of making more efficient use of industry resources deployed in all aspects of drafting, reviewing and commenting, and balloting of standards.</p> <p>The shift is a change away from negotiation of a standard through a lengthy and resource-intensive series of formal comment periods and multiple successive ballots, and towards developing strong consensus on the front end of the process, first on the need for a standard and the technical foundation to support developing a standard, and second on the approach that the standard should take to address the identified reliability need. The drafting team would be charged with developing consensus through informal mechanisms, such as working with industry groups, holding technical conferences, webinars, or workshops, and other informal means. The purpose of the ballot in this paradigm would be to <i>test</i> consensus rather than serve as a tool toward building consensus.</p> <p>The Standards Committee recognizes your concern that manually correlating ballots with comments may create inefficiencies; however, NERC has committed to developing the necessary system improvements to support process changes and the Standards Committee believes that the proposed change is necessary to gather the input necessary for standard drafting teams to develop consensus standards.</p> <p>Finally, concerning the authority under Section 321 of the NERC Rules of Procedure – the Standards Committee would prefer to avoid requiring the NERC Board of Trustees to exercise Rule 321 if there is an opportunity to develop a consensus standard but is fully aware that Rule 321 is available as a last resort.</p> <p>Thank you for your constructive suggestion; however, after reviewing all comments and the results of the successive ballot, the Standards Committee believes the set of SPM Revisions have reached consensus and has not adopted your suggestion.</p>
Tri-State G&T	No	<p>It is not clear why “excluding unreturned ballots” is now in the explanation of a quorum in the first bullet under “Consensus vote” on page 4 and in section 4.10 on page 25. If unreturned ballots are excluded from determining a quorum, then every ballot would have 100% participation and a quorum would always be reached, thus defeating the purpose of needing a quorum. For example, a given ballot body has 500 registered voters. Of those 500 voters, 100 vote Yes, 150 Vote No, 30 Abstain, and 220 ballots are unreturned. The way we interpret the new section is that the numerator of the quorum calculation is 280 and so is the denominator. The</p>

Organization	Yes or No	Question 1 Comment
		wording should either go back to the previous language or it should just be “A quorum, which is established by at least 75% of the members of the ballot pool submitting a response;”
<p>Response: Thank you for your comment. The Standards Committee agrees that the words “excluding unreturned ballots” produce a result that is not what was intended and have removed them.</p>		
ACES	No	<p>While we agree that comments should, in general, be provided to support any ballot, sometimes comments simply will not be helpful in developing a standard. For instance, if we do not agree that a standard should be developed, how will comments to this effect help the drafting team to develop the standard? We think the best approach is for NERC to encourage balloters to provide comments with their ballots without requiring discounting of negative ballots. We agree with the decision to count negative votes without comments in the final ballot since comments are not allowed in the Final Ballot. However, this highlights one of the problems with discounting negative ballots in initial ballot and any additional ballots before the final ballot. Because these negative votes will be counted in the final ballot but not in the earlier ballot, the approval percentage will be skewed high. If a ballot has marginal approval, the drafting team will need to consider the impact of negative votes that were not counted in deciding whether there is likely to be sufficient consensus in the Final Ballot. Because votes are counted by exception in the Final Ballot, the method in which negative votes are counted needs further clarification. If a balloter submits a negative vote in an initial ballot or additional ballot without a comment, it is not counted. How is this ballot then treated in the Final Ballot, if the balloter chooses to persist with its negative ballot? Does the balloter need to re-submit the negative vote? If the balloter does not re-submit the negative vote in the Final Ballot, will his original negative vote be counted in the final ballot even though it was discounted in the earlier ballot?</p>
<p>Response: Thank you for your comments. Participation in the NERC Ballot Pools comes with responsibility to participate, and in the process revisions that are being developed, the intent is that by encouraging balloters to submit a comment in order for their ‘no’</p>		

Organization	Yes or No	Question 1 Comment
<p>vote to count toward approval, a standard drafting team would have enough information be able to resolve many issues prior to the final ballot. Another key consideration in pursuing this approach in handling ‘no’ votes is that in their entirety, the proposed process revisions represent a significant paradigm shift in NERC standards development, with the intent of making more efficient use of industry resources deployed in all aspects of drafting, reviewing and commenting, and balloting of standards.</p> <p>The shift is a change away from negotiation of a standard through a lengthy and resource-intensive series of formal comment periods and multiple successive ballots, and towards developing strong consensus on the front end of the process, first on the need for a standard and the technical foundation to support developing a standard, and second on the approach that the standard should take to address the identified reliability need. The drafting team would be charged with developing consensus through informal mechanisms, such as working with industry groups, holding technical conferences, webinars, or workshops, and other informal means. The purpose of the ballot in this paradigm would be to <i>test</i> consensus rather than serve as a tool toward building consensus.</p>		
Essential Power, LLC	No	A potential gap exists in the calculation of votes, which specifically uses “negative votes with comments” and excludes “negative votes without comments”. The final ballot only has “negative” positions. It is not clear how the final ballot will be calculated.
<p>Response: Thank you for your comment. Please review the footnote attached to the “negative” voting position for final ballots, in Section 4.11 of the proposed revisions to the SPM. This footnote was included in the draft that these comments pertain to but has been slightly revised in the draft that is posted for recirculation ballot, and now reads:</p> <p><i>The Final Ballot is used to confirm consensus achieved during the Formal Comment and Ballot stage. Ballot Pool members voting negative on the Final Ballot will be deemed to have expressed the reason for their negative ballot in their own comments or the comments of others during prior Formal Comment periods.</i></p>		
American Electric Power	No	We do not believe that NERC has sufficiently made the case to industry what problems there have been regarding no-votes-without-comments, or how prevalent they have been. Until that is accomplished, we are unable to determine what changes would be beneficial or necessary. It needs to be understood exactly why these kinds of votes are being cast and what challenges they might be causing. This needs to be fully understood and communicated before any solution is proposed and discussed. The current paradigm has unfortunately and unintentionally resulted

Organization	Yes or No	Question 1 Comment
		<p>in an unbalanced amount of focus being placed on compliance risk rather than reliability risk. As a result this has likely contributed to slowing down the development of reliability-based standards. Rather than attempt to expedite the process by discounting certain votes, efforts should instead be made to build upon NERC’s recent Reliability Assurance Initiative. NERC’s leadership has expressed their desire to pursue a new direction that results in “continuous contribution toward real reliability, rather than the current model.” AEP believes this is a more prudent way to reach the desired results, and supports this new direction. If this proposal is indeed pursued, entities need to be notified if their no vote isn’t being counted, and told EXACTLY WHY. In addition, there needs to be a process for appealing such a decision. Also, since the comment field was recently eliminated from the balloting process, what process would the drafting team use to tie comments made in the comment tool to the no votes made through the balloting tool? Since these are two completely different web forms, we are aware of no automated way the drafting teams could make such a correlation or determination. As a result, human error could occur. AEP is concerned that the proposed changes regarding no-votes-without-comments might unintentionally drive some participants to not vote at all, leading to possible challenges in achieving a quorum. As stated previously, we remain very uncomfortable with the concept of somehow counting no-votes-without-comments toward the quorum, and yet not count them towards the vote count itself. In essence, these votes would be counted as abstaining votes. It is unacceptable to assign no-votes-without-comments a different applicability or weight than yes-votes-without-comments, as in the manner proposed. Again, exactly what issue is the drafting team trying to solve?</p>
<p>Response: Thank you for your comments and your support of NERC initiatives including the Reliability Assurance Initiative (RAI). The NERC Board of Trustees has directed that changes in the standards program area be made in parallel with the efforts under the RAI, and there is continuous coordination ongoing between NERC Standards and the program areas involved in the RAI.</p> <p>With respect to treatment of ‘no’ votes without comments, the Standards Committee believes that participation in the NERC Ballot Pools comes with responsibility to actively participate toward developing a consensus standard. In the process revisions that are</p>		

Organization	Yes or No	Question 1 Comment
<p>being developed, the intent is that by encouraging balloters to submit a comment in order for their 'no' vote to count toward approval, a standard drafting team would have enough information be able to resolve many issues prior to the final ballot. Another key consideration in pursuing this approach in handling 'no' votes is that in their entirety, the proposed process revisions represent a significant paradigm shift in NERC standards development, with the intent of making more efficient use of industry resources deployed in all aspects of drafting, reviewing and commenting, and balloting of standards.</p> <p>The shift is a change away from negotiation of a standard through a lengthy and resource-intensive series of formal comment periods and multiple successive ballots, and towards developing strong consensus on the front end of the process, first on the need for a standard and the technical foundation to support developing a standard, and second on the approach that the standard should take to address the identified reliability need. The drafting team would be charged with developing consensus through informal mechanisms, such as working with industry groups, holding technical conferences, webinars, or workshops, and other informal means. The purpose of the ballot in this paradigm would be to <i>test</i> consensus rather than serve as a tool toward building consensus.</p> <p>In the event that a balloter submits a 'no' vote that is not obviously associated with a submitted comment, the balloter would first be contacted to determine whether a comment had been submitted and if not, whether the entity wished to provide a comment. If the entity did not wish to submit a comment or support the comments of another entity, they would be informed of the SPM policy on negative ballots without an associated comment and the appeals process contained in Section 8 of the SPM.</p>		
City of Palo Alto	No	<p>Any "No" vote, at any stage of the process, should be counted for all purposes whether or not the vote is accompanied by comments. Voters who have issues with specific provisions of a proposed standard should provide comments to explain and address those concerns. However, there may be times when a voter is opposed to the very concept of a proposed standard and a vote without comments is a valid response since a comment like, "Organization XYZ is totally opposed to creation of this standard" could be reasonably inferred from a "No" vote without comments. Refusal to recognize all "No" votes during the standard development phases will likely overstate the consensus supporting a proposed standard since all "No" votes will count on a Final Ballot, even those from voters who were ignored in previous rounds of voting. In other words, a proposed standard could appear to have consensus support in every ballot up to the Final Ballot where it could then be turned down when all "No" votes are counted.</p>

Organization	Yes or No	Question 1 Comment
<p>Response: Thank you for your comments. The Standards Committee believes that participation in the NERC Ballot Pools comes with responsibility to actively participate toward developing a consensus standard. In the process revisions that are being developed, the intent is that by encouraging balloters to submit a comment in order for their 'no' vote to count toward approval, a standard drafting team would have enough information be able to resolve many issues prior to the final ballot. Another key consideration in pursuing this approach in handling 'no' votes is that in their entirety, the proposed process revisions represent a significant paradigm shift in NERC standards development, with the intent of making more efficient use of industry resources deployed in all aspects of drafting, reviewing and commenting, and balloting of standards.</p> <p>The shift is a change away from negotiation of a standard through a lengthy and resource-intensive series of formal comment periods and multiple successive ballots, and towards developing strong consensus on the front end of the process, first on the need for a standard and the technical foundation to support developing a standard, and second on the approach that the standard should take to address the identified reliability need. The drafting team would be charged with developing consensus through informal mechanisms, such as working with industry groups, holding technical conferences, webinars, or workshops, and other informal means. The purpose of the ballot in this paradigm would be to <i>test</i> consensus rather than serve as a tool toward building consensus.</p>		
Consumers Energy	No	<p>Previously we submitted the following comments:Consumer's Comments - At this time, NERC's ballot tool does not include a mechanism for direct comments with the ballot. It has been stated that a new tool will be in place by the time these revisions take effect. However, until the tool is in place, there is no way to know for certain that the balloter will be able to directly attach comments to their ballot. Therefore, it is still feasible that a negative ballot would be submitted and that NERC would be unable to locate the related comments, thus rendering the ballot as 'no vote' for purposes of calculating the consensus.The SDT responded as follows:SDT Response - Thank you for your comment. NERC Standards Committee is aware of this situation and NERC has committed the resources necessary to accurately identify negative votes with associated comments. New Consumer's Comments - Until we have details on how this will be accomplished, we are not comfortable with the language in the revisions.</p>
<p>Response: Thank you for your comments. NERC has committed to developing the necessary system improvements to support process changes and the Standards Committee believes that the proposed change is necessary to gather the input necessary for</p>		

Organization	Yes or No	Question 1 Comment
<p>standard drafting teams to develop consensus standards. Regardless of the status of those system improvements, if the new process is approved, if a balloter submits a 'no' vote that is not obviously associated with a submitted comment, the balloter would first be contacted to determine whether a comment had been submitted and if not, whether the entity wished to provide a comment. If the entity did not wish to submit a comment or support the comments of another entity, they would be informed of the SPM policy on negative ballots without an associated comment and the appeals process contained in Section 8 of the SPM.</p>		
<p>Dominion</p>	<p>Yes</p>	<p>Although Dominion agrees with the changes proposed, we believe that revising the last bulleted item on page 4 to add clarity would be beneficial. Dominion proposes revising to read, "A two-thirds majority of the weighted Segment votes cast shall be affirmative. The number of votes cast, during all stages of balloting except the final ballot, is the sum of affirmative and negative votes with comments, excluding abstentions, non-responses, and negative votes without comments. During the final stage of ballot, the number of votes cast is the sum of affirmative and negative votes, excluding abstentions and non-responses."</p>
<p>Response: Thank you for your comments. The Standards Committee agrees that the suggested language clarifies the intent as set forth in Sections 4.10 and 4.11 and has made the change.</p>		
<p>Midwest Reliability Organization NERC Standards Review Forum</p>	<p>Yes</p>	<p>The NSRF agrees with footnote 24. The SPM allows for industry comments and participation throughout the development period of the Standard. The Final Ballot should only allow the Ballot Body to agree or disagree with the final draft of the proposed Standard. This will encourage more industry involvement in our Standards development process.</p>
<p>Response: Thank you for your support.</p>		
<p>FirstEnergy</p>	<p>Yes</p>	<p>There should be a method for the entry of comment(s) on the final ballot when an entity wishes to alter their vote from the last successive ballot to the final ballot. This could occur when the entity may have agreed previously contingent on an action which didn't occur.</p>

Organization	Yes or No	Question 1 Comment
<p>Response: Thank you for your comment. Although it is possible an entity may want to provide an explanation for altering their vote from the prior ballot, collection of comments during the final ballot is not consistent with the idea of a “final” ballot because it suggests to the submitter of the comment that something may be done with the comment, and potentially creates a standards development process that may never reach a conclusion. The paradigm of using industry technical expertise to develop consensus standards does not necessarily mean that every stakeholder will fully agree with every standard, even at the final ballot.</p>		
<p>ISO/RTO Council's Standards Review Committee</p>	<p>Yes</p>	<p>As revised, we understand the process to be that, during the Ballot and any Additional Ballot stages (with the exception of the Final Ballot stage), there will not be an opportunity for ballot participants to simply cast a "negative" ballot without comments, i.e., "negative" ballots that do not include comments will not be accepted and this rejection will be apparent to the ballot participant through the ballot submission process. Accordingly, because the process will not accept a simple "negative" ballot, negative ballots without comments are not able to be counted through the balloting process and will not, therefore, be counted in the quorum/consensus for purposes of determining Ballot Pool approval prior to the Final Ballot stage. We agree that negative votes without comments should be accepted during the Final Ballot stage.</p>
<p>Response: Thank you for your support.</p>		
<p>Southern Company</p>	<p>Yes</p>	<p>After considering comments regarding the lack of a comment period, NERC stated that “there is no obligation in the current [Standard Processes Manual (“SPM”)] to accept comments during a recirculation ballot, and the proposed revisions to the SPM are consistent with the current SPM in that there is no comment period associated with a Final Ballot.” NERC clarifies that all “no” votes submitted in the Final Ballot will count toward determination of both the quorum and consensus, and clarified in Footnote 24 (Note: NERC is referring to footnote 24 in the redline to the last posted version; it is footnote 22 in the clean version) that negative votes in the Final Ballot “will be deemed to have commented or supported the comments of other groups during prior Formal Comment periods.” Southern supports the intent</p>

Organization	Yes or No	Question 1 Comment
		<p>of the revisions to Section 4.11 and the associated footnote. A Final or Recirculation Ballot should only occur when the most recent version is issued without substantive revisions, which would have been issued in previous versions for which comments have already been received and considered. Therefore, a Final or Recirculation Ballot should not contain substantive revisions that were not already afforded an opportunity for comment in previous ballots. Accordingly, the rationales for negative votes would have been expressed in previous comments and considered during those ballot periods. Southern does respectfully suggest, however, that the intent of the associated footnote could be clarified with slightly more precise language, and suggests the following substitution: “The Final Ballot is used to confirm consensus achieved during the Formal Comment and Ballot stage. Ballot Pool members voting negative on the Final Ballot will be deemed to have voted negatively for reasons that were expressed in their own prior comments or in those of others during previous Formal Comment periods.”</p>
<p>Response: Thank you for your support. The Standards Committee agrees that the language you have suggested clarifies the intent, and has made the change.</p>		
Ontario Power Generation	Yes	<p>The parts of this submission in brackets contain changes.</p> <p>While I agree with the direction being taken re “Negative ballots without comments count toward quorum but not consensus, with one exception: final ballot. The DT added language to clarify that all “NO” votes (without comments) submitted in final ballot will count toward both, quorum and consensus”, I find the drafting of the standard to be deficient in this regard. My concern is that the standard never makes clear when there is final approval. Section 4.10 indicates approval re quorum and 2/3 majority....but this can only apply to the Ballot and Additional Ballot process, not the Final Ballot, since the Final Ballot is based on Negative votes. You are not suppose to provide comments if negative. So section 4.10 doesn’t work. Affirmative; Negative; Abstain. 4.10: Criteria for Ballot Pool Approval Ballot pool approval of a Reliability Standard requires: A quorum, which is</p>

Organization	Yes or No	Question 1 Comment
		<p>established by at least 75% of the members of the ballot pool submitting a response, excluding unreturned ballots; and A two-thirds majority of the weighted Segment votes cast shall be affirmative. The number of votes cast is the sum of affirmative votes and negative votes with comments. This calculation of votes for the purpose of determining consensus excludes (i) abstentions, (ii) non-responses, and (iii) negative votes without comments. I looked elsewhere and could not find how Final Ballot is determined. Therefore I think 4.10 needs to be modified to include both situations, something like:</p> <p>4.10: Criteria for Ballot Pool Approval (Ballot and Additional) Ballot pool approval of a Reliability Standard requires: A quorum, which is established by at least 75% of the members of the ballot pool submitting a response, excluding unreturned ballots; and A two-thirds majority of the weighted Segment votes cast shall be affirmative. The number of votes cast is the sum of affirmative votes and negative votes with comments. This calculation of votes for the purpose of determining consensus excludes (i) abstentions, (ii) non-responses, and (iii) negative votes without comments. (Final) Ballot pool approval of a Reliability Standard requires: A quorum, which is established by at least 75% of the members of the ballot pool submitting a response, excluding unreturned ballots; and A two-thirds majority of the weighted Segment votes cast shall be affirmative. The number of votes cast is the sum of affirmative votes and (negative votes). This calculation of votes for the purpose of determining consensus excludes (i) abstentions, and (ii) non-responses.</p> <p>Second, under section 4.15, it is not clear to me if Final Ballot Results means the results of the Final Ballot, or results of any ballot.</p> <p>I think the first paragraph in section 4.15 is fine. I think Section 4.15 in the second paragraph could be improved by changes in red:</p> <p>4.15: Final Ballot Results There are no limits to the number of public comment periods and ballots that can be conducted to result in a Reliability Standard or interpretation that is clear and enforceable, and achieves a quorum and sufficient affirmative votes for approval. The Standards Committee has the authority to conclude this process for a particular Reliability Standards action if it becomes obvious that the drafting team cannot</p>

Organization	Yes or No	Question 1 Comment
		<p>develop a Reliability Standard that is within the scope of the associated SAR, is sufficiently clear to be enforceable, and achieves the requisite weighted Segment approval percentage. The NERC Reliability Standards Staff shall post (the outcome) of (each) ballot process. If (during the Ballot and Additional Ballot process), the Reliability Standard is rejected, the Standards Committee may decide whether to end all further work on the proposed standard, return the project to informal development, or continue holding ballots to attempt to reach consensus on the proposed standard. (If the Reliability Standard is rejected in the Final Ballot, the Standards Committee shall end all further work on the proposed standard). If the Reliability Standard is approved (in the Final Ballot) , the Reliability Standard shall be posted and presented to the Board of Trustees by NERC management for adoption and subsequently filed with Applicable Governmental Authorities for approval.</p>
<p>Response: Thank you for your comments and your support.</p> <p>Thank you for your suggestion to clarify section 4.10. A footnote was added to this section for the previous posting to address your concern. This footnote now reads:</p> <p><i>The Final Ballot is used to confirm consensus achieved during the Formal Comment and Ballot stage. Ballot Pool members voting negative on the Final Ballot will be deemed to have expressed the reason for their negative ballot in their own comments or the comments of others during prior Formal Comment periods.</i></p> <p>The entire section 4.15 is titled “Final Ballot Results” and consistent with that heading, the paragraphs below the heading pertain to Final Ballots. While the Standards Committee agrees with you that the practice of posting the results of each ballot, as is currently done, must continue, section 4.15 concerns Final Ballots only. You have not provided any justification for why the other edits you suggest are needed. Therefore, the edits you suggest have not been adopted.</p>		
Idaho Power Company	Yes	<p>I agree that the proposed treatment of NO votes is fair and gives stakeholders ample opportunity to participate in the development of the standard. A No vote without comment is of no use to a SDT when trying to develop a consensus standard.</p>

Organization	Yes or No	Question 1 Comment
<p>Response: Thank you for your support.</p>		
<p>Oncor Electric Delivery Company LLC</p>	<p>Yes</p>	<p>The drafting team attempts to resolve the inconsistency regarding how “No” votes without comments in Final Ballots are addressed in comparison to how “No” Ballots are handled in initial and additional Ballots by offering a footnote that states “during a Final Ballot, all “No” votes will be deemed to have commented or supported the comments of other groups during prior Formal Comment period.” Oncor continues to take the position that “No” votes without comment should be considered for vote consensus. Oncor recommends the following language in Section 4.10:”A quorum, which is established by at least 75% of the members of the ballot pool submitting a response, with an affirmative vote, a negative vote with comment, a negative vote without comment, or an abstention excluding unreturned ballots; andA two-thirds majority of the weighted Segment votes cast shall be affirmative. The number of votes cast is the sum of affirmative votes, negative votes with comments, and negative votes without comments. This calculation of votes for the purpose of determining consensus excludes (i) abstentions, and (ii) non-responses.”In addition, in order to implement and maintain an efficient balloting and commenting process, the a system re-design is needed to support establishing quorum consistency and stakeholder consensus. The current framework coupled with the proposed revised changes to the process is inadequate and could further create inefficiencies through having to manually manage correlating ballots with associated comments.</p>
<p>Response: Thank you for your comments. The Standards Committee recognizes your concern that manually correlating ballots with comments may create inefficiencies; however, NERC has committed to developing the necessary system improvements to support process changes and the Standards Committee believes that the proposed change is necessary to gather the input necessary for standard drafting teams to develop consensus standards. Therefore, the changes you suggest were not adopted.</p>		
<p>Manitoba Hydro</p>	<p>Yes</p>	<p>No comment.</p>

Organization	Yes or No	Question 1 Comment
Northeast Power Coordinating Council	Yes	
Bonneville Power Administration	Yes	
SPP Standards Review Group	Yes	
Florida Municipal Power Agency	Yes	
Luminant	Yes	
Arizona Public Service Company	Yes	
pacificorp	Yes	
American Transmission Company	Yes	
Independent Electricity System Operator	Yes	
Kansas City Power & Light	Yes	
Ameren	Yes	
National Rural Electric Cooperative Association (NRECA)		No comments provided.

- 2. In the first posted revisions to the SPM, the SCPS proposed the addition of section 16.0, which introduced a waiver provision to allow the SC some flexibility in administering the standards process to meet reliability needs. In other words, the waiver process allows the SC to modify the standards process in rare cases for good cause. In response to stakeholder concerns regarding transparency, openness and due process protections, the SCPS incorporated the concept of a notice period for stakeholders prior to consideration of a waiver request by the Standards Committee and clarified how notice to stakeholders will be provided when the waiver provision is exercised. We have also incorporated a provision for the immediate reporting of waivers by the Standards Committee to the Standards Oversight & Technology Committee of the Board of Trustees. With the addition of these steps, can you support the addition of the waiver provision in section 16.0?**

Summary Consideration:

Several commenters were supportive of the revisions made to the waiver provision in the last posting, but suggested specific changes to the language to address concerns that the circumstances in which a waiver might be exercised were unclear or overly broad. A few others suggested inclusion of criteria to be used in deciding whether a waiver request should be accepted. While the Standards Committee agrees with commenters that the use of the waiver provision should be very limited, the Committee believes that the circumstances as described in Section 16.0 are appropriately narrow, while at the same time providing some latitude for circumstances that the Standards Committee is unable to foresee at this time. Likewise, the Standards Committee believes that developing criteria and a strict process for deciding whether a waiver request should be granted is unreasonable at this time, given the multiple changes in the process in addition to the addition of waiver provision and the lack of experience with those new processes.

A few commenters expressed concerns about the transparency of a decision to exercise a waiver, and some suggested increasing the notice period from five days to a longer period, although there was no consensus on the length of the longer period. A small number of commenters suggested that notice of the Standards Committee's receipt of a waiver request be accompanied by a comment period. With respect to the transparency, NERC maintains an extensive distribution list of individuals who have requested to be notified of Standards actions, and would provide notice to the same. Standards Committee meeting minutes provide notice of all Standards Committee decisions, and the proposed revisions to the SPM require that notice also be posted on the project page. With respect to including a comment period, the Standards Committee does not believe a comment period is necessary because all stakeholders may provide input to their elected Standards Committee members. In addition, all Standards Committee meetings and conference calls are open to observers.

Other commenters were concerned that either the existence of a waiver provision or the exercise of a waiver would jeopardize ANSI accreditation of NERC's Standards Process. The Standards Committee clarifies that neither is true.

Organization	Yes or No	Question 2 Comment
<p>Northeast Power Coordinating Council</p>	<p>No</p>	<p>The addition of the Waiver Section is a positive response to concerns from a previous submission, but there are still concerns that need to be addressed. The addition of a notice period prior to the consideration of a waiver request and reporting of such waivers to the BOT Standards Oversight and Technology Committee does not address due process concerns. Additional language needs to be included detailing the process by which suggested waivers will be vetted and approved through the Standards Committee. For example, if the intent is that the waiver should be used in rare cases for "good cause" only, there should be a high threshold for approving a waiver, such as a super-majority of the full Standards Committee. These details around how a waiver is proposed, considered, approved and enacted need to be articulated within Section 16.0. As currently written, there are some general steps outlined (i.e., a waiver request is submitted, a notice is issued, the Standards Committee takes action, and reports that action to the Standards Oversight and Technology Committee), but there is no minimum threshold for considering a waiver. Any entity can submit a request for waiver at any time and it will be considered by the Standards Committee. The Standards Committee is given very broad discretion on how it goes about considering and approving a waiver request. Additional thought needs to be given to what it takes to get a waiver approved through the Standards Committee. Once the waiver approval process is detailed and documented, only then can a stakeholder appeal of such a decision be based on any merit and understanding of how and why a waiver was granted. With such broad discretion on the waiver process suggesting that an entity can use the appeal process if they have issues with the Standards Committee decision on the waiver has little or no value. In addition to notifying the BOT's Standards Oversight and Technology Committee the Compliance and Certification Committee should also be notified of waivers. This section proposes a time consuming provision to cover urgent reliability standard revisions, but not emergency situations requiring immediate action. Clear distinction and separation, possibly supported by separate processes, should be made between an urgent situation requiring an urgent standard development and an emergency situation requiring an immediate action. An emergency reliability</p>

Organization	Yes or No	Question 2 Comment
		<p>standard revision procedure would give the NERC Board the authority to act on its own motion to address an issue on an interim basis immediately, with a follow-on process to then review and address the issue on a more regular timetable. The wording added in Section 16.0 of the Standard Processes Manual does not provide for review and approval/rejection of the industry for any new standard or amendment adopted through the waiver process. The wording seems to allow for an entity to appeal (footnote 32), but that is an ineffective way to effect changes. While we support the waiver concept, it should include a post-factum review and approval process by the industry.</p>
<p>Response: Thank you for your comments and your support. While the Standards Committee agrees that the use of the waiver provision should be very limited, the SC believes that the language is appropriately narrow, while at the same time providing some latitude for circumstances that the Standards Committee is unable to foresee at this time. The Standards Committee meeting minutes provide notice of all Standards Committee decisions, and the proposed revisions to the SPM require that notice also be posted on the project page. Furthermore, in response to your suggestion to document the criteria and processes to be followed for exercising a waiver, the Standards Committee believes that it needs to develop experience with use of the waiver before considering such criteria.</p> <p>Regarding your suggestion that the proposed Section 16.0 does not provide for industry review and approval/rejection of any standards action that involves the exercise of a waiver – please note that inclusion of the language <i>“In no circumstances shall this provision be used to modify the requirements for achieving quorum or the voting requirements for approval of a standard”</i> is intended to mean exactly what it says – that the Standards Committee has no authority to waive the requirements contained elsewhere in the SPM concerning establishment of a quorum and voting requirements for approval of a standard.</p>		
Tri-State G&T	No	<p>The “Waiver” section does not improve efficiency, but rather circumvents the ANSI-accredited Reliability Standards development process, which only gives the appearance of an efficiency improvement. The paragraph, “In no circumstances shall this provision be used to modify the requirements for achieving quorum or the voting requirements for approval of a standard,” is immaterial since the SC could waive quorum achievement and voting requirements based on the earlier paragraph that states “The Standards Committee may waive any of the provisions contained in this</p>

Organization	Yes or No	Question 2 Comment
		<p>manual for good cause shown...” If the intent is to indicate that quorum achievement and voting requirements can not be waived, then the sentence should be changed to “The Standards Committee may waive any of the provisions contained in this manual, except for the requirements for achieving quorum or the voting requirements for approval of a standard, for good cause shown...” and remove “In no circumstances shall this provision...” In our previously submitted comments we stated that the “use of a waiver will result in a violation of the NERC’s ANSI-approved standards development process,” but the drafting team responded that “the waiver provision would not violate ANSI.” As such, we believe it will no longer be an ANSI accredited process. The argument that some Reliability Standards do not need to be filed with ANSI is not the same as accreditation of this process.</p>
<p>Response: Thank you for your comments. The inclusion of a waiver provision has been discussed with ANSI and does not jeopardize the accreditation of NERC’s standards development processes. By incorporating the waiver provision, including reasonable accommodations for openness and due process, the Standards Committee is able to avoid explicitly violating the process when circumstances require a deviation from the normal process. The inclusion of the words “In no circumstances...” is intended to mean exactly what it says, which is that no matter what action the Standards Committee considers taking in response to a request for a waiver, it does not have the authority to waive the requirements contained elsewhere in the manual for achieving quorum of voting requirements for approval of a standard.</p>		
PPL NERC Registered Affiliates	No	<p>The PPL Companies believe the Standards Committee already has, and has previously exercised, the authority to deviate from the process. However, the current requirement is that the SC must report these deviations to the CCC and Board. Also, the circumstances to which the SC is “limited” to invoke the waiver are vague and ambiguous, and all proposed Reliability Standards could fall within these criteria. We would support language in this section that more clearly stated the current process, while leaving in place the current requirements for reporting to the CCC and Board.</p>
<p>Response: While the drafting team appreciates your understanding that the Standards Committee currently has the authority to deviate from the process, other stakeholders view this matter differently. By incorporating the waiver provision, including reasonable accommodations for openness and due process, the Standards Committee is able to avoid explicitly violating the process</p>		

Organization	Yes or No	Question 2 Comment
		<p>when circumstances require a deviation from the normal process. The SC believes that the language identifying the circumstances in which a waiver may be exercised is appropriately narrow, while at the same time providing some latitude for circumstances that the Standards Committee is unable to foresee at this time. The Standards Committee further believes that the proposed reporting of a waiver to the Standards Oversight and Technology Committee of the Board after a decision is made to grant a waiver request, and to the full Board at the time a standard is presented for adoption, provides for appropriate and efficient oversight. Reporting the use of a waiver to the CCC has little impact in terms of preserving stakeholder rights under the process, since the CCC has no authority to direct Standards Committee action, whereas the reporting of use of the waiver provision to the Board and its committee allows the Board to exercise its authority if it deems that action to be necessary.</p>
<p>ISO/RTO Council's Standards Review Committee</p>	<p>No</p>	<p>We appreciated the SC's efforts to address stakeholder concerns regarding the proposed new waiver provision; however, the addition of a notice period prior to the consideration of a waiver request and reporting of such waivers to the BOT Standards Oversight & Technology Committee does little to address our due process concerns. Additional language needs to be included detailing the process by which suggested waivers will be vetted and approved through the SC. For example, if the intent is that the waiver should be used in rare cases for "good cause" only, there should be a high threshold for approving a waiver, such as a super-majority of the full SC. These details around how a waiver is proposed, considered, approved and enacted need to be articulated within Section 16.0. As currently written, there are some general steps outlined (i.e., a waiver request is submitted, a notice is issued, the SC takes action, and reports that action to the Standards Oversight & Technology Committee), but there is no minimum threshold for considering a waiver nor (1) a criteria to be utilized to determine whether a waiver should be approved or (2) a threshold for approval. Any entity can submit a request for waiver at any time and it will be considered by the SC. Further, the SC is given very broad discretion on how it goes about considering and approving a waiver request. Additional thought needs to be given around what it takes to get a waiver approved through the SC and those additional details and processes must be documented and transparent. Once the waiver approval process is detailed and documented, only then can a stakeholder appeal of such a decision be based on any merit and understanding of how and why a waiver was granted or denied. With such broad discretion and ambiguity and the lack</p>

Organization	Yes or No	Question 2 Comment
		<p>of transparency regarding the waiver process, the availability of the appeal process to entities if they have issues with the SC decision on the waiver has little to no value as a thoughtful, rigorous, transparent appeal process cannot be satisfied. Finally, we respectfully suggest that the Compliance and Certification Committee should also be notified of waivers, concurrent with the Standards Oversight and Technology Committee. ERCOT has indicated that it is supportive of comments to Questions 1 and 3 only.</p>
<p>Response: Thank you for your comments. While the Standards Committee agrees that the use of the waiver provision should be very limited, the SC believes that the language is appropriately narrow, while at the same time providing some latitude for circumstances that the Standards Committee is unable to foresee at this time. The Standards Committee meeting minutes provide notice of all Standards Committee decisions, and the proposed revisions to the SPM require that notice also be posted on the project page. Furthermore, in response to your suggestion to document the criteria for exercising a waiver, the Standards Committee believes that it needs to develop experience with use of the waiver before considering such criteria.</p>		
<p>pacificorp</p>	<p>No</p>	<p>PacifiCorp does not support the addition of the waiver provision in section 16.0. The exercise of a waiver provision will result in a violation of NERC’s ANSI-approved standards development process. Additionally, reporting the exercise of a waiver to the Board of Trustees (BOT) prior to adopting a standard is unacceptable. The exercise of the waiver and BOT approval may be separated by years of work by both the Standards Committee (SC) and the Standards Drafting Team (SDT). Each exercise of an SC waiver should have BOT finality so that the BOT will not be pressured to approve any waiver, regardless of the facts, to preserve the substantial body of work that has followed the exercise of waiver by the SC. At a minimum, waivers to the SPM should be preceded by the following: a. The posting of an SC document to the Registered Ballot Body (RBB) that describes the reason for the requested waiver, including the threat to reliability, and what processes would be affected by the waiver. b. A short (10 day) period for accepting RBB comments. c. After comments are received, the SC may either withdraw the waiver or request its expedited approval by the BOT, ensuring that the board is supplied with the comments received. The entire process proposed above could be completed within 30-45 days,</p>

Organization	Yes or No	Question 2 Comment
		causing a minor delay for the (hopefully) rare exercise by the SC of waiving an SPM provision.
<p>Response: Thank you for your comments. The inclusion of a waiver provision has been discussed with ANSI and does not jeopardize the accreditation of NERC’s standards development processes. By incorporating the waiver provision, including reasonable accommodations for openness and due process, the Standards Committee is able to avoid explicitly violating the process when circumstances require a deviation from the normal process. The Standards Committee will not wait until a standard is final and presented to the Board for adoption before reporting the exercise of a waiver. Instead, the inclusion of this language: <i>“Following the approval of the Standards Committee to waive any provision of the Standard Process Manual, the Standards Committee will report this decision to the Standards Oversight and Technology Committee”</i> serves to alert the Board immediately when a waiver is exercised, since the Standards Oversight and Technology Committee is a committee of the Board.</p> <p>In response to your suggestion to expand the currently proposed 5-day notice period to a 10-day period for notice and comment, the Standards Committee believes that extending the notice period and incorporating a requirement for BOT approval would reduce the value of having such a provision. With respect to incorporating a formal opportunity for comment, the Standards Committee believes that this opportunity, while not explicit, exists through the segment representation model of the Standards Committee. The Standards Committee believes that stakeholders with input on a requested waiver should provide their input to their elected segment representative on the Standards Committee to inform the Standards Committee’s deliberations when it acts on the waiver. Standards Committee meetings and conference calls are publicly noticed and open to all interested stakeholders.</p>		
Southern Company	No	NERC states that, in response to stakeholder concerns regarding transparency, openness and due process protections, it “incorporated the concept of a notice period for stakeholders prior to consideration of a waiver request by the Standards Committee and clarified how notice to stakeholders will be provided when the waiver provision is exercised.” NERC also states that it has “incorporated a provision for the immediate reporting of waivers by the [Standards Committee] to the Standards Oversight & Technology Committee.” Southern notes that the new proposed waiver section in Section 16.0 is intended to replace the expedited process in the original version, which had included a process by which any expedited standard would subsequently undergo a second review within the normal standards development process. Although Southern had suggested reinstatement of this second review process, NERC in its consideration of comments stated that a requirement to revisit a

Organization	Yes or No	Question 2 Comment
		<p>standard developed under the expedited process was creating additional work for the industry, when those resources could instead be dedicated to other efforts. First, while Southern appreciates the need for expedited action and streamlining of the standards development process during exigent circumstances, it is concerned that five business days does not provide sufficient notice to stakeholders to process the waiver request and respond accordingly. Southern suggests that thirty business days would be a more appropriate period of time for stakeholders to receive notice and formulate a response. Additionally, the proposed language does not clarify that stakeholders would have an opportunity to provide comment on the waiver request once the notice has been provided. Southern suggests language below that would make this opportunity clear. Second, because Section 16.0 empowers the Standards Committee to waive any of the provisions within the SPM, the circumstances shown appear to be overly broad and ambiguous, and could benefit from more precise language surrounding the circumstances under which such waiver authority would be triggered, as discussed specifically below:</p> <ul style="list-style-type: none"> o The first bullet very broadly and ambiguously hinges waiver authority on a “national emergency” declared by the entire U.S. and Canadian governments, as opposed to a specific authority within these governments. Southern attempts to refine the first bullet to name the obvious agencies that might declare national emergencies affecting the BES “or another appropriate agency”. Southern also acknowledges that there are several options that NERC and other agencies have during an emergency (e.g., NERC Alerts) and confines the wavier provision to apply to those emergency circumstances for which development of a standard would constitute an appropriate response given the facts and circumstances of such emergency. o The second bullet leaves some ambiguity as to when it might be “necessary” to meet regulatory deadlines. Southern suggests some language that clarifies and more precisely describes the situation where a regulatory deadline is shorter than the minimum time provided for under the normal standards development process. o Similarly, the fourth bullet: (a) refers to a situation when a modification has already been vetted through the standards development process - in such a situation, waiver would no longer be necessary; and (b) is

Organization	Yes or No	Question 2 Comment
		<p>ambiguous and vague as to what degree is necessary for the Standards Committee to decide what modifications are “insubstantial” or would cause “significant” delay. With respect to this latter issue, in the absence of further clarification around these criteria, it is possible that the Standards Committee may make a good faith decision to waive portions of the normal standards development process because they deem a modification to be “insubstantial” or to cause “significant” delay, but that industry stakeholders later believe (or circumstances arise such that) the modification is, in fact, substantial or that the delay was not significant. This is especially troublesome when the general opportunity to subsequently re-review an expedited standard, originally included in the expedited standards development process, is now being eliminated from the Standard Processes Manual. Southern first suggests that the triggering words in the fourth bullet be changed to where the modification is not “substantive” and would not cause “excessive” delay. Second, Southern also recommends -- limited to the scope of this particular circumstance where it has been determined by a committee that a modification is not substantive or would cause excessive time delay - that an opportunity be provided to subsequently resubmit this approved standard through the normal standards development process, solely with respect to the modification in question, to allow stakeholder review as to the modification that triggered the waiver. If the normal standards development process determines that the modification is, in fact, unwarranted, then a revision to the standard removing the modification can be submitted to the Board of Trustees for approval. Southern generally supports the Section 16 waiver provision, but believes with these suggested refinements, that Section 16 can better accomplish the intent of the SPIG recommendations and provide certainty and clarity to Regional Entities and industry stakeholders. Southern therefore submits the following suggested revisions for consideration: “The Standards Committee may waive any of the provision contained in this manual for good cause shown, but limited to the following circumstances:</p> <ul style="list-style-type: none"> o In response to a national emergency declared by FERC, NERC, DHS, or another appropriate agency (or Canadian equivalent agency) that involves the reliability of the Bulk Electric System or cyber attack on the Bulk Electric System, and

Organization	Yes or No	Question 2 Comment
		<p>for which an abbreviated standards development process would constitute an appropriate response to address such declared emergency; o Where the time periods set forth by the normal standards development process would be incapable of meeting an impending regulatory deadline; o Where necessary to meet deadlines imposed by the NERC Board of Trustees; or o Where the Standards Committee determines that a modification to a proposed Reliability Standard or its Requirement(s), a modification to a defined term, a modification to an interpretation, or a modification to a variance and that developing the modification through the processes contained in this manual would therefore add unduly excessive time delay. In the event this circumstance gives rise to a waiver of one of the provisions, then subsequent to its expedited development and approval, the Standards Committee will re-submit the approved standard(s) through the normal standards development process, which shall be limited in the scope of its review to the modification determined by the Standards Committee to warrant waiver. Should the normal standards development process determine that the modification is unwarranted, the Standard, requirement, definition, interpretation, or variance shall be revised to remove the modification and submitted to the Board of Trustees for approval pursuant to the normal standards development and revision process. In no circumstances shall this provision be used to modify the requirements for achieving quorum or the voting requirements for approval of a standard. A waiver request may be submitted to the Standards Committee by any entity or individual, including NERC committees or subgroups and NERC Staff. Prior to consideration of any waiver request, the Standards Committee must provide thirty business days' notice to stakeholders, who would have an opportunity to provide comment on the waiver request within the thirty day notice period."</p>
<p>Response: Thank you for your comments and support of the waiver provision. In reviewing the changes you have suggested, the Standards Committee has determined that collectively, the changes represent a significant shift in the intent of the waiver provision. While the Standards Committee agrees that the use of the waiver provision should be very limited, the SC believes that the language is appropriately narrow, while at the same time providing some latitude for circumstances that the Standards Committee is unable to foresee at this time. Furthermore, in response to your suggestion to expand the currently proposed 5-day notice period to a 30-day</p>		

Organization	Yes or No	Question 2 Comment
<p>period for notice and comment, the Standards Committee believes that extending the notice period to 30 days would reduce the value of having such a provision. With respect to incorporating a formal opportunity for comment, the Standards Committee believes that this opportunity, while not explicit, exists through the segment representation model of the Standards Committee. The Standards Committee believes that stakeholders with input on a requested waiver should provide their input to their elected segment representative on the Standards Committee to inform the Standards Committee’s deliberations when it acts on the waiver. Finally, with respect to adding a requirement that an opportunity be provided to subsequently resubmit this approved standard through the normal standards development process, solely with respect to the modification in question, to allow stakeholder review as to the modification that triggered the waiver, as currently proposed any stakeholder that believes a review of a modification developed through a process that is expedited through the exercise of the waiver provision may submit a SAR with a justification for reviewing and potentially revising the standard. The Standards Committee believes that this permissive approach provides the right balance because it allows for a stakeholder to initiate a discussion of a review action when there is a reasonable need for such review, while reducing the inefficiency contained in the current obligation to review every standard developed through the Expedited Process within two years.</p>		
<p>American Electric Power</p>	<p>No</p>	<p>While AEP does not object to the addition of “national emergency declared by the United States or Canadian government” as possible justification for a waiver, we recommend that the remaining qualifiers be made less open-ended than currently drafted. As stated previously, our concerns are in regards to what level of perceived urgency might drive such a waiver, as well as how often such a waiver might be invoked. Such a waiver should only be used for the most extreme and rare circumstances, and the circumstances as currently drafted are not restrictive enough. For example, “where necessary to meet regulatory deadlines” is entirely subjective and could conceivably be used for almost any circumstance.</p>
<p>Response: Thank you for your comments and support. The Standards Committee agrees that the use of the waiver provision should be very limited, and believes that the current list of circumstances is appropriately narrow, while at the same time providing some latitude for circumstances that the Standards Committee is unable to foresee at this time.</p>		
<p>Independent Electricity System Operator</p>	<p>No</p>	<p>(1) We do support the addition of the Waiver Section, and we thank SDT for responding to our concern from the previous submission; however, we do believe that there is still a gap that needs to be addressed. This section proposes a provision</p>

Organization	Yes or No	Question 2 Comment
		<p>to cover only urgent reliability standard revisions, and not emergency situations requiring immediate action. We believe clear distinction and separation, possibly supported by separate processes, should be made between an urgent situation requiring an urgent standard development and an emergency situation requiring an immediate action. An emergency reliability standard revision procedure would give the NERC Board the authority to act on its own motion to address an issue on an interim basis immediately, with a follow-on process to then review and address the issue on a more regular timetable.(2) We do not believe that the wording added in section 16 of the SPM provides for review and approval/rejection of the industry for any new standard or amendment adopted through the waiver process. The wording seems to allow for an entity to appeal, but that is a very long shot for anyone to effect changes. While we support the waiver concept, we insist on including a post-factum review and approval process by the industry.</p>
<p>Response: Thank you for your comments and support. 1) The concept of a separate process for emergency situations requiring immediate action may be worthy of consideration; however, the Standards Committee has developed the proposed revisions in response to specific recommendations made by the MRC SPIG, and this was not a need that was identified by the SPIG. 2) The waiver section is not an alternative to the processes set out in the rest of the SPM; instead it is a provision that allows the Standards Committee to waive individual aspects of the process upon request and for good cause. The language <i>“In no circumstances shall this provision be used to modify the requirements for achieving quorum or the voting requirements for approval of a standard.”</i> is intended to clarify that in every instance where the waiver provision is exercised, the standard must still be balloted following the quorum and approval requirements that are described elsewhere in the manual. Therefore, the post-factum review and approval process that you suggest is already included.</p>		
Ameren	No	<p>While the SDT efforts regarding transparency are a step in the right direction we still believe the waiver provision is not necessary. We suggest the SDT to keep the process presently included in the NERC ROP for such situations.</p>
<p>Response: Thank you for your comments. The Standards Committee believes a waiver provision is necessary and believes that the current proposed language provides a reasonable balance of openness and due process.</p>		

Organization	Yes or No	Question 2 Comment
Manitoba Hydro	No	<p>(1) Provisions that allow the Standards Committee to “waive” the standards development process for a number of reasons are very broad/vague, such as “to meet NERC BOT deadlines”. The standards development process is integral to the international reliability organization model and this model threatens to be substantially eroded with such a waiver provision. One of the criteria for waiver is “to meet regulatory deadlines”. However, this issue was already addressed in previous ROP revisions to Rule 321 and was intensely debated by industry, including CEA. There is potential for both regulators and NERC BOT to impose deadlines that intentionally circumvent the standards development process if the waiver section is adopted. (2) No direct correlation exists between the waiver provision and the intent of the SPIG’s policy input, and a proposed framework, for specific improvements to the standards development process.(3) The Standard Committee’s ability to waive any of the provisions contained in the SPM “In response to a national emergency” does not fit with the intent of the standard development process. Reliability standards are not normally developed in response to individual emergencies. Emergency operating procedures are already in place for these types of events.</p>
<p>Response: Thank you for your comments. 1) Because of the international nature of the North American electric power system, the Standards Committee believes that international cooperation in the development of consensus continent-wide standards is essential and would prefer to avoid requiring the NERC Board of Trustees to exercise Rule 321 if there is an opportunity to develop a consensus standard. For example, there may be cases where consensus could be reached but with a deadline approaching, strict adherence to the process would eliminate the opportunity for an additional ballot because of the time frames required in the SPM. 2) The Standards Committee disagrees with your assessment that there is no direct correlation between the intent of the SPIG’s policy input and the proposed waiver provision. The SPIG recommendations explicitly addressed the efficiency and timeliness of the standards development process. The Standards Committee believes that some flexibility to address unusual circumstances is necessary in order to have a process that will meet the desired outcome of developing consensus, continent-wide standards. The proposed waiver provision tries to strike a balance between providing this flexibility while providing adequate openness, due process, and oversight by the Board of Trustees’ Standards Oversight and Technology Committee. 3) You are correct that reliability standards are not normally developed in response to individual emergencies, and therefore the exercise of a waiver for such a situation is expected to be an extremely rare occurrence. However, in the very unusual situation where a standard needed to be</p>		

Organization	Yes or No	Question 2 Comment
<p>developed or modified to address a national or international security issue, the addition of this as a possible reason for the Standards Committee to exercise the waiver provision is consistent with the principles embodied in the international Electric Reliability Organization model, where development of a consensus continent-wide standard is the preferred approach.</p>		
<p>Oncor Electric Delivery Company LLC</p>	<p>No</p>	<p>The waiver is unnecessary. Full implementation of SPIG recommendations will eliminate need for waiver of any standards development process steps. If problems develop which challenge timely project completion, drafting teams and NERC management need to efficiently resolve the matters. With the establishment of RISC to provide oversight and guidance on the need for new or revised Standards coupled with strong NERC management and Stakeholder commitment to define specific milestones and deadlines will ensure timely development.</p>
<p>Response: Thank you for your comments and support of implementing the SPIG recommendations. The Standards Committee agrees that implementation of the SPIG recommendations will alleviate many of the issues that have prevented timely completion of standards, but the Standards Committee continues to believe that even with strong project management discipline, RISC involvement, and stakeholder commitment to meeting milestones and deadlines, circumstances will arise where flexibility in administering the process will lead to stronger industry consensus while still allowing the ERO to meet regulator- or BOT-imposed deadlines.</p>		
<p>Midwest Reliability Organization NERC Standards Review Forum</p>	<p>Yes</p>	<p>The NSRF recognizes that the SC is made up of industry participants and section 16 provides the transparency that the industry requested.</p>
<p>Response: Thank you for your support.</p>		
<p>Bonneville Power Administration</p>	<p>Yes</p>	<p>BPA appreciates the opportunity to review the waivers and the SCPS efforts to be responsive to the industry concerns regarding Section 16.0.</p>
<p>Response: Thank you for your support.</p>		
<p>ACES</p>	<p>Yes</p>	<p>We appreciate the changes made to the waiver section to provide further limits to</p>

Organization	Yes or No	Question 2 Comment
		<p>the wavier section. However, we continue to be concerned that the section is more broad than necessary. Given that the requirements for achieving a quorum and ballot approval cannot be modified via the waiver and that a notification for the potential use of the waiver must be provided to stakeholders, we are willing to support this section in the spirit of moving forward and showing support for trying to improve the standards development process. We hope use of this section will be very limited.</p>
<p>Response: Thank you for your support.</p>		
Idaho Power Company	Yes	<p>The circumstances when a waiver may be used are limited and the proposed waiver process seems to be transparent to the stakeholders. A waiver may be necessary to meet the timelines proposed by FERC for the GMD standard.</p>
<p>Response: Thank you for your support.</p>		
Dominion	Yes	
Western Small Entity Comment Group	Yes	
FirstEnergy	Yes	
SPP Standards Review Group	Yes	
Florida Municipal Power Agency	Yes	
Luminant	Yes	
Arizona Public Service	Yes	

Organization	Yes or No	Question 2 Comment
Company		
Essential Power, LLC	Yes	
American Transmission Company	Yes	
Kansas City Power & Light	Yes	
City of Palo Alto	Yes	
National Rural Electric Cooperative Association (NRECA)		NRECA continues to have concerns with the waiver provision as identified in previous comments, but appreciates the efforts of the SC/SCPS to narrow the times when the provision can be used. At this point NRECA does not oppose moving forward with the current draft of Section 16.0; however, we will pay close attention to any use of this provision to ensure it is properly exercised.
Response: Thank you for your support.		

3. If you have any other comments on proposed revisions that you haven't previously raised, please provide them here:

Summary Consideration:

Commenters identified number of clarifications and typographical corrections to the draft revisions posted for successive ballot, and many of those suggestions were adopted.

Organization	Yes or No	Question 3 Comment
ACES		<p>(1) Section 4.1 contains contradictory statements regarding a technical justification. In the third paragraph on page 16, there is a statement that a SAR for a new reliability standard should include a technical justification; however, the second paragraph on page 17 states that the Standards Committee will direct NERC Reliability Standards staff to post a SAR for a new reliability standard for comment to collect stakeholder feedback on the scope of the technical foundation. Which is intended? (2) Section 4.2 - SAR Posting states that the Standards Committee based on advice from the drafting team will determine if there is enough stakeholder support for a SAR to continue with developing a standard. The determination will be based on the comments submitted. Considering that the commenters will not be in complete alignment with the ballot body and eventual ballot pool, how can this determination be made without a vote? There appears to be an assumption that the ballot body/ballot pool will support the standard with enough edits when in reality the ballot body/ballot pool may have voted the SAR down in the first place. This is a gap in the process. (3) On page 20 in the last statement of section 4.4 (Develop Preliminary Draft of Reliability Standard, Implementation Plan and VRFs and VSLs), there is a conflicting statement. It states that the drafting team should seek stakeholder feedback on preliminary draft documents before the "team has finalized its Reliability Standard". The standard is not finalized in the section 4.4. This section deals with the preliminary draft. We suggest modifying the statement accordingly. (4) In the second paragraph of section 4.7 on page 21, there is a statement that the intent of the formal comment period is to seek feedback on the final draft. How can</p>

Organization	Yes or No	Question 3 Comment
		<p>the draft be final until it is approved? We suggest modifying accordingly. (5) Section 4.8 states that the Director of Standards may authorize additions to the ballot pool for extraordinary circumstances such as death, retirement or disability. We would also like to see termination included as well. A company should be allowed to change its Registered Ballot Body member and have the member join a ballot pool at any time if the previous member’s employment terminated. We understand that NERC has appropriately authorized this in the past and this essentially would update the Standards Process Manual to reflect this practice. (6) We are concerned that section 7.0 limits interpretations to the Requirements of a standard. Most interpretation requests will most likely be focused on the requirements. However, other sections such as the applicability of the standards can be confusing and are only becoming more complicated. For instance, PRC-023 applicability has been subject of some confusion and has even been subject of a NERC bulletin. Its applicability section is not just as simple as identifying an applicable entity. Furthermore, some standards are now including a Facilities section within the Applicability section. Interestingly, Facility is a defined term and sometimes the Facilities section includes items that do not meet the definition. What recourse does a registered entity have to determine applicability for these types of standards if they can’t request an interpretation?(7) The first bullet listed in section 13.0 includes a phrase “complete review and review and associated revision”. This phrase is confusing and needs to be edited. (8) In response to our comments regarding the drafting teams reaching out to commenters in between postings to ensure they have addressed the commenters concerns, the comments indicated that the standards process manual would be updated to include this suggestion. We can find no such update to the standards process manual. (9) In response to comments, the SDT indicated it would update the SPM to reflect that interpretation drafting teams are required to notify the Standards Committee of reliability gaps but are not actually required to submit the SAR. This change was not fully implemented. In section 7.0 on page 32, the third paragraph still states that the interpretation drafting team shall submit the SAR. (10) In addition to the comments submitted here, we also support the comments submitted by NRECA.</p>

Organization	Yes or No	Question 3 Comment
		<p>Response: Thank you for your comments. 1) The intent in Section 4.1 is that any stakeholder that identifies a need for a new or revised standard by submitting a SAR should provide a technical justification as to why a new or revised standard is needed. However, recognizing that a SAR may identify a possible reliability issue, but not provide sufficient technical foundation or input to guide the initial discussions of a drafting team, the Standards Committee may direct that the SAR be posted to gather more input. Both are acceptable under the proposed language in the SPM, and this flexibility is consistent with the Standards Committee and SPIG’s desire to increase consensus on the need for a standard prior to initiating development of a standard.</p> <p>2) Your comment assumes that the comments submitted on a SAR will not be in alignment with the eventual ballot pool. While this may or may not be the case, the Standards Committee does not see this as a gap. It is not necessary to have comments from the entire future ballot pool in order to determine the general level of consensus on the need for a standard.</p> <p>3) and 4) The language “final <i>draft</i>” conveys what is intended – that the product is still a draft, rather than a final standard, but is a final work product that the drafting team believes includes all of the input from stakeholders necessary to reach consensus. This language represents a key shift in the approach that the Standards Committee is taking to implement the SPIG recommendations to strengthen consensus building. The shift is a change away from negotiation of a standard through a lengthy and resource-intensive series of formal comment periods and multiple successive ballots, and towards developing strong consensus on the front end of the process, first on the need for a standard and the technical foundation to support developing a standard, and second on the approach that the standard should take to address the identified reliability need. The drafting team would be charged with developing consensus through informal mechanisms, such as working with industry groups, holding technical conferences, webinars, or workshops, and other informal means. The purpose of the ballot in this paradigm would be to test consensus rather than serve as a tool toward building consensus.</p> <p>5) You are correct that termination of a member of a ballot pool is among the extraordinary circumstances where a replacement of the ballot pool member has been authorized in order to allow the balloting entity that employed the terminated ballot pool member to retain its vote on the particular standard action. Because the list of possible examples of such “extraordinary circumstances” is preceded by “such as”, indicating that the list is not exhaustive, the Standards Committee does not believe that the addition of terminations to the list is unnecessary.</p> <p>6) If there is a need to clarify an applicability section of a standard, the Standards Committee has the ability to initiate a change to the applicability section of the standard through a SAR.</p> <p>7) A correction has been made to this phrase, which now reads “complete review and review and associated revision”.</p> <p>8) Section 4.5 was revised as suggested, and now includes the sentence: “<i>Drafting teams are encouraged, where possible, to reach</i></p>

Organization	Yes or No	Question 3 Comment
<p><i>out directly to individual stakeholders in order to facilitate resolution of identified stakeholder concerns.”</i></p> <p>9) The change that the Standards Committee intended to implement has been implemented in the referenced paragraph, by replacing the words <i>“shall submit a SAR”</i> with <i>“may submit a SAR.”</i></p> <p>10) Thank you.</p>		
<p>Manitoba Hydro</p>		<p>(1) Section 2.5 - More work is required to this revision for the SPM to apply internationally. The text under “Compliance Enforcement Authority” is inconsistent with Manitoba law (and other Canadian jurisdictions) where NERC and/or Regional Entities have no legal authority to impose penalties or enforce compliance. These roles are performed by Canadian regulators or other Applicable Governmental Authorities. Accordingly, the statement “The Compliance Enforcement Authority will be NERC or the Regional entity...” should be confined to the U.S. or rephrased as previously suggested. Manitoba Hydro has submitted a request to change the definition in Appendix 2 of the NERC Rules of Procedure, and until this change is accepted, will continue to vote negative for this standard. (2) Section 3.10 - For the same reasons stated in (1), revise the first sentence in section 3.10 so that it is confined to the U.S., or revised so that it refers to NERC monitoring and/ or enforcing compliance. (3) Section 4.0 - Revise figure 1, STEP 9 which reads “Submit all approved documents to governmental authorities for approval” to read “Submit all BOT approved documents to Applicable Governmental Authorities” to be consistent with the wording in other sections of this document. (4) Section 4.11 - As read, the affirmative vote can be cast without submitting comments during the Ballot and Additional Ballot(s) periods. Using this assumption, modify the voting positions to read: Affirmative; Negative with comment(s) and Abstain. Alternatively, if the assumption is incorrect, modify 4.10 to read “affirmative votes with or without comment(s) and negative votes with comment(s)” for clarity. (5) Section 4.19 - Capitalize the words, “applicable governmental authorities” in the first sentence. (6) Section 7 - Revise figure 2, STEP 11 which reads “Submit all approved documents to governmental authorities for approval” to read “Submit all BOT approved documents to Applicable Governmental Authorities” to be consistent with the wording in other</p>

Organization	Yes or No	Question 3 Comment
		<p>sections of this document. (7) Section 9.1 - Change the words “governmental authorities” located in the third paragraph to “Applicable Governmental Authorities”. (8) Section 10.3 - Change the words “appropriate governmental agencies” located in the second paragraph to “applicable governmental agencies”. (9) Section 10 - Revise figure 3, STEP 7 which reads “Submit all approved documents to governmental authorities for approval” to read “Submit all BOT approved documents to Applicable Governmental Authorities” to be consistent with the wording in other sections of this document. (10) 10.14 - For clarity, consider adding BOT into the first sentence to read “All BOT approved documents shall.....” (11) Section 10 - Revise figure 4, STEP 7 which reads “Submit all approved documents to governmental authorities for approval” to read “Submit all BOT approved documents to Applicable Governmental Authorities” to be consistent with the wording in other sections of this document. (12) Section 11 - Consider adding the word “standards” before “drafting team” in the second paragraph for clarity.(13) Section 12 - Change the two occurrences of the words “governmental authorities” located in the second sentence to “Applicable Governmental Authorities” for consistency with other sections of this document.</p>
<p>Response: Thank you for your comments.</p> <ol style="list-style-type: none"> 1) If your request to modify the Rules of Procedure is acted upon, at that time a conforming change may be made to the SPM. However, at this time the definition of Compliance Enforcement Authority contained in the SPM is, appropriately, consistent with the definition in Appendix 2 of NERC’s Rules of Procedure. 2) The Standard Processes Manual does not control whether Compliance staff monitor and enforce compliance with NERC Reliability Standards. This section is included in the SPM purely for informational purposes. However, in recognition of your concern, the first sentence has been modified as follows: <i>“As applicable, the NERC Compliance Monitoring and Enforcement Program Staff manages and enforces compliance with approved Reliability Standards. Compliance Monitoring and Enforcement Staff are responsible for the development of select Compliance Elements.”</i> 3) The suggested change has been made. 4) You are correct that an affirmative ballot may be submitted without comments and that any affirmative ballot, regardless of whether it is associated with comments, will count toward determining both quorum and consensus. The SC does not believe there is a lack of clarity around this point in the current language and has decided not to adopt the edit you propose. 		

Organization	Yes or No	Question 3 Comment
		<p>5) The suggested edit was made. 6) The suggested change was made. 7) The suggested edit was not made because, in this instance, the reference is to other (non-NERC) standards, and such standards may be promulgated by governmental authorities other than Applicable Government Authorities. 8) The suggested edit was not made because the word “appropriate” provides the intended latitude for the unforeseen and unpredictable circumstances in which section 10 might be used. The use of the word “applicable” suggests a restriction that is not intended. 9) The suggested change was made. 10) The suggested edit was made. 11) The suggested change was made. 12) The suggested edits was made.</p>
Ameren		<p>(1) We still believe that the summary response should include the communicator’s or company identity to help commenters easily sort their comments and their interest.(2) From our perspective this overall effort appears to be going in the right direction which is consistent with our shared BES reliability objectives; however we believe that the present NERC rules for VRF and VSL are too conservative and a process is needed to review them. A few examples where we believe that VRF’s and VSL’s are not fair or realistic: o PRC-005-2 requiring 100% perfection, (Zero Tolerance) o PRC-019, 24 & 25 generation standards treating units that seldom run the same as base load units or escalating too quickly, and o PRC-027-1 and PRC-004-3 escalating too quickly from Low => Medium => High => Severe.</p>
<p>Response: Thank you for your comments and support. While the Standards Committee understands that it may be helpful to commenters to have the identities of individual commenters included in each summary response, the unintended consequence of imposing a uniform obligation on drafting teams to do this in every summary would be that in some cases, the inclusion would be of little value since nearly all commenters raised similar concerns, whereas in other cases the net effect would be the same as including individual responses. The proposed revisions provide necessary flexibility to allow drafting teams and the Standards Committee to make a decision on a case-by-case basis as to what approach will best assist in further developing industry consensus.</p>		

Organization	Yes or No	Question 3 Comment
ISO/RTO Council's Standards Review Committee		As a point of clarification, we request that the SC explain and define the term "unreturned ballots" as incorporated into the criteria for establishing a Ballot pool quorum. See Redlined Standard Process Manual Section 1.4 under Consensus Vote and Section 4.10, Criteria for Ballot Pool Approval. It is unclear what is meant by "unreturned ballots". If a quorum is established by meeting a threshold of 75% of the ballot pool submitting a response and unreturned ballots will not be counted towards the quorum, it is unclear how the quorum result would ever be less than 100%.
<p>Response: Thank you for your comments. The Standards Committee agrees with your concern, and it is not the intent that quorum would always be 100%. The language has been modified to remove the words "unreturned ballots."</p>		
Dominion		Dominion suggests revising bulleted item (top of page 19) in Section 4.1: Posting and Collecting Information on SARs - to more clearly define which NERC committees can be consulted (should be technical). As proposed by the SDT- "Delay action on the SAR pending one of the following: (i) development of a technical justification for the proposed project; or (ii) consultation with another NERC Committee to determine if there is another approach to addressing the issue raised in the SAR." Dominion suggested revision - "Delay action on the SAR pending one of the following: (i) development of a technical justification for the proposed project; or (ii) consultation with the RISC or one of the NERC standing technical committees to determine if there is another approach to addressing the issue raised in the SAR."
<p>Response: Thank you for your comment, which accurately reflects the intent of the Standards Committee. While your suggestion language reflects the intent, the Standards Committee has not adopted the proposed language because, although it is unlikely that there would be any reason to consult any committee other than those listed, it is not possible to predetermine all of the types of issues for which a SAR would be developed. For example, the language in the proposed SPM would provide for consulting with the Compliance and Certification Committee on a SAR that solely addresses revisions to compliance elements of a standard. The existing language maintains necessary flexibility.</p>		
Florida Municipal Power		FMPPA has significant concerns about footnote 7 - concerns great enough that it almost caused us to vote Negative. On its face, footnote 7 gives ERO staff the

Organization	Yes or No	Question 3 Comment
Agency		<p>unilateral right to change Compliance Elements, including Measures, without BOT approval and without input from industry, and it even seems to remove FERC jurisdiction from Compliance Elements including Measures. There are two significant changes that occur on page 10 of the posted redline to the last approved:</p> <p>1) Measures are now considered a Compliance Element. In prior version of the SPM, Measures were not considered a Compliance Element.</p> <p>2) The footnote claims that Compliance Elements are not part of the standard, i.e., footnote 7 states: "It is the responsibility of the ERO staff to develop Compliance Elements for each standard; these elements are not part of the standard ...". On its face, footnote 7 states that ERO staff has unilateral right to change Compliance Elements and can do so without industry, BOT or FERC approval, since</p> <p>i. Section 308 of the ROP discusses the BOT's role in approving standards; hence, by saying that Compliance Elements are not part of the standard, then Compliance Elements are not part of Section 308 and therefore does not need BOT approval, and would not need to be presented to the BOT for approval.</p> <p>ii. Compliance Elements do not need to be balloted since they are not part of the standard</p> <p>iii. Section 215 defines FERC's authority in approving standards; hence, again, by saying that Compliance Elements are not part of the standard, it removes FERC's jurisdiction over Compliance Elements. FMPA does not know whether that was the intent of footnote 7 or not. FMPA does agree that a collaborative effort to develop Measures between the SDT and ERO staff is important, as also stated in footnote 7; but, FMPA does not agree that ERO staff should have unilateral authority over the Measures after the initial development. We have witnessed the danger of unilateral control of how to measure compliance through the CAN process, which in FMPA's opinion, was initially ERO staff's attempt at unilateral control of Measures; and in FMPA's opinion, CAN's did not and still do not work well. The "right" answer is for the regulator and regulated to agree on how compliance is to be measured and this</p>

Organization	Yes or No	Question 3 Comment
		<p>means collaboration on Measures and not unilateral control of Measures.FMPA suggests that at minimum, to maintain this need for collaboration, the BOT needs to approve all changes to Measures. This can be accomplished in at least two ways:1) Change footnote 7 to require BOT approval of all changes to Compliance Elements, not just those directed by FERC.2) Remove Measures from the definition of Compliance Elements and make Measures part of the standard.Further, FMPA is discouraged that our comments were lost at NERC on the last round of comments. We have a PDF of the comments we submitted. In addition, several other commenters said that they supported FMPA’s comments, and rather than calling FMPA to find out what happened, the response to those commenters was that no comments were received from FMPA. Further, when FMPA became aware that, in the draft consideration of comments, our comments were not included and lost, we made NERC staff and members of the Standards Committee aware that our comments were lost and e-mailed them with our submitted comments hoping that they would be considered. They were not. FMPA believes this is unacceptable. So, we raise these comments again here and expect them to be addressed this time.</p>
<p>Response: Thank you for your comments. Section 3.0 of the SPM is intended to be an informational section. While it is the intent of both the Standards Committee and ERO Compliance program staff to have drafting teams collaborate with Compliance staff to provide technical input on the intent of the requirements of a standard, Footnote 7 was added as a means of separating the obligations of Compliance staff (which are captured elsewhere in the NERC Rules of Procedure) from the obligations that are appropriately captured in the SPM. The Standards Committee agrees with your concerns about the construction of this section and has made a number of clarifying edits.</p> <p>With respect to the “loss” of FMPA comments, NERC uses an electronic survey application for the collection of comments and it is unusual for comments submitted through this application to be “lost”. Comments received during a comment period are posted as “Comments Received” on the project page within a couple of business days of the closing of a comment period, and when a commenter identifies that their comments are not included in the “Comments Received” document, and notifies NERC staff, it is NERC’s practice to accept the comments and append them to the Consideration of Comments. NERC staff was not notified that the comments were not received and apologizes for any inconvenience.</p>		

Organization	Yes or No	Question 3 Comment
<p>National Rural Electric Cooperative Association (NRECA)</p>		<p>NRECA continues to have concerns with certain provisions in the proposed SPM. We are voting “affirmative” on this current ballot, but ask the SC/SCPS to carefully consider our comments on various sections of the SPM. While we support moving the process forward to make improvements to the SPM, we continue to believe there are too many unfocused and uncoordinated efforts underway today creating confusion and uncertainty on ultimately where standard development process changes are going. NRECA believes a more focused and collaborative effort will lend itself to a comprehensive, and not staggered or piecemeal, effort to improve the SPM. If the current set of SPM revisions are approved by the industry and the NERC BOT, NRECA requests that consideration be given to not immediately submitting these revisions to FERC for approval. We believe it would be beneficial to wait for other SPM revision efforts to come to conclusion, and then submit one comprehensive set of SPM revisions to FERC for approval. NRECA remains convinced that there is a need for a thorough analysis of the current SPM and standards development activities to clearly identify the areas that require changes to ensure standards are developed in the most efficient and effective manner. This work should be completed as soon as possible regardless of how the SPM work progresses. If the provisions in the current proposed SPM are approved by the industry, the BOT and ultimately FERC, NRECA encourages the SC and SDTs to carefully implement the new provisions of the SPM. It is critically important to successful standard development that stakeholder comments are properly considered and clearly responded to, and that any new waiver authority is utilized in only a very limited number of circumstances, if at all. Other Specific Comments (page and section numbers are from the redline of the last approved SPM version)</p> <p>Page 9, Section 2.4, first bullet, 4th line - it appears that “results-based” should be replaced with “performance-based.”</p> <p>Page 10, Section 2.5, bullet on Measures - NRECA is confused by the statement “types of evidence MAY demonstrate compliance.” The use of the word “may” appears to state that the Measures are not necessarily Measures that can help with</p>

Organization	Yes or No	Question 3 Comment
		<p>demonstrating compliance. This seems to be a significant change for how the measures are valued in standards and compliance. NRECA asks the SC/SCPS to consider if this is the appropriate language to use in the Measures section.</p> <p>Page 19, Section 4.1, 7th paragraph that lists the SC options for decision on a SAR, 2nd bullet - in the previous round of comments NRECA stated that if the SC remands a SAR, it should be required to provide a written explanation similar to what is listed in the third bullet. In the consideration of comments the SC/SCPS agreed to make this change, but it was not changed in this SPM draft. NRECA requests that this change be made in the SPM.</p> <p>Pages 20-30, throughout Section 4 - NRECA continues to urge the SC/SCPS to rethink the provisions related to SDT comment response processes. NRECA requests that the SPM be revised to require, not only encourage, a SDT to post a summary response that identifies how it used stakeholder comments in informal comment periods. Otherwise commenters will not know whether and how their comments were considered until possibly the end of the standard development process. NRECA also strongly urges the SC/SCPS to revise the SPM to require individual, not summary, comment responses during the final formal comment period. If these provisions are not addressed carefully, it could limit, or appear to limit, the ability of stakeholders to effectively participate in the standard development process. This could potentially bring about an increased number of appeals, or negative votes, submitted to NERC due to stakeholders not believing their comments were properly addressed and responded to.</p> <p>Page 28, Section 4.12, first paragraph, first line - based on changes made to other parts of the SPM that added the words “substantive” and “non-substantive”, the word “significant” should be replaced with “substantive.”</p> <p>Page 40, Section 7.0, second to last paragraph of this section, 3rd line - it appears that “Board of Trustees” should be replaced with “Standards Committee” in order for this paragraph and the next paragraph to properly reflect the SPM.</p>

Organization	Yes or No	Question 3 Comment
		<p>Response: Thank you for your comments and support. Your comments regarding the timing of filing of the proposed SPM changes will be submitted to NERC Legal for consideration. Your comments regarding how the proposed revisions, if approved by the industry, BOT, and FERC, should be implemented will be taken into consideration when that point is reached. Regarding specific suggestions for revising the SPM:</p> <p>Page 9 – corrected “results-based” to “performance-based.”</p> <p>Page 10 – the use of the word “may” is not intended to be indicative of the value of Measures but instead is intended to indicate that simply providing the types of documentation listed in the Measure does not automatically ensure that an entity has demonstrated compliance.</p> <p>Page 19 – This suggestion was adopted.</p> <p>Section 4 and commenting process – these process revisions are intended to shift the consensus-building part of the process to less formal methods of developing consensus. The intent is that the informal outreach will be extensive and by the time a drafting team posts a standard for comment and initial ballot, the ballot is being used to confirm consensus, rather than as a first or early step in negotiating consensus. In view of the fact that drafting teams will be working hard to achieve final consensus, the Standards Committee believes that drafting teams will find the right balance of communicating with stakeholders and has decided that some flexibility is necessary. As the process is implemented and the Standards Committee and drafting teams gain experience, the flexibility will allow for course corrections if in fact your caution about appeals or negative ballots is born out by experience.</p> <p>Page 28 – In reviewing the proposed revisions to the SPM, the Standards Committee notes that the phrase “significant revisions” or is used in a number of paragraphs, and believes that leaving the word “significant” is more consistent with the rest of the document. The suggested edit was not made.</p> <p>Page 40 – The suggested change is not consistent with current practice nor with NERC’s obligation to ensure that interpretations of reliability standards are consistent with BOT-approved reliability standards. No change made.</p>
<p>Kansas City Power & Light</p>		<p>On page 9, the current proposal removes “Evidence Retention” as an element of a reliability standard. Thoughtful consideration of the data needed and a realistic expectation for the retention of different kinds of data to demonstrate compliance is an important element in the standards process. It will be an unreasonable expectation for smaller entities to store real time data sampled every few seconds for three or six years. Consideration for data retention should not be overlooked and it is</p>

Organization	Yes or No	Question 3 Comment
		recommended to retain "Evidence Retention" in standards development.
<p>Response: Thank you for your comments. The Standards Committee understand the intent of the current Evidence Retention section of a standard and is mindful of the need for some form of guidance to entities in this area. The intent is to work with Compliance to incorporate this guidance into the RSAW or some other compliance tool that will be available to inform entities as they develop their own compliance with a standard.</p>		
<p>Oncor Electric Delivery Company LLC</p>		<p>Section 2.4 In order to maintain consistency, Oncor recommends the following changes to the definition of Performance Based Requirements: Performance Based Requirements define a specific reliability objective or outcome achieved by one or more entities that have a direct, observable effect on the reliability of the Bulk Power System. i.e. an effect that can be measured using power system data or trends. In its simplest form, a (remove - results-based) Performance Based requirement has four components: who, under what conditions (if any), shall perform what action, to achieve what particular result or outcome. Section 2.5 - Section 2.5 defines the components of a Reliability Standard to include Title, Number, Purpose, Effective Dates, Requirement, Measure, VRF and VSL. Yet, in the closing paragraph, Measures are not listed as an enforceable component of a Reliability Standard. For clarity and consistency, Oncor takes the position that Measures should either not be listed as a component of a Reliability Standard, or it should be added as an enforceable component of a Reliability Standard. Section 3.4 Under the current Standards Manual, the Standards Committee has the right to remand work to a drafting team, to reject the work of a drafting team, or to accept the work of a drafting team. On the other hand, the current draft document provides those same powers, but now proposes to reach further, by granting the Standards Committee the additional power to disband a drafting team that has been selected by stakeholder consensus. Oncor proposes that the current authority to remand, reject, or accept the work of a drafting team is sufficient, and no further authority is necessary. Section 4.5 Oncor is in agreement that informal comment periods on draft documents can be accomplished in a number of ways besides the current, 30 day informal comment period. These additional options include webinars, workshops and other mechanisms. Section 4.6 Oncor is in</p>

Organization	Yes or No	Question 3 Comment
		<p>agreement that the Quality Review of a draft Reliability Standard should begin at the initial stage of the standard’s development instead of beginning at the completion of the final draft. Section 4.9Oncor proposes the following changes to this sentence:If the last day of the ballot window falls on a Saturday, Sunday or a national holiday, the period does not end until the next business day.Section 4.15Section 4.15 - Under Section 4.15, there are no limits to the number of public comment periods and ballots that can be conducted for a Final Ballot. The following statement appears contradictory and requires additional clarity:”The Standards Committee has the authority to conclude this process for a particular Reliability Standards action if it becomes obvious that the drafting team cannot develop a Reliability Standard that is within the scope of the associated SAR, is sufficiently clear to be enforceable, and achieves the requisite weighted Segment approval percentage.”Section 8.0 - Appeals ProcessSection 8 of the proposed SPM addresses the right of any entity to appeal an action or inaction that has directly and materially adversely affected interests related to the development, approval, revision, reaffirmation, retirement or withdrawal of a Reliability Standard. The current process does not address the compliance status of the affected entity during a Level 1 or Level 2 Appeals process. Oncor suggests that the entity appeals process include an exemption during the review.</p>
<p>Response: Thank you for your comments. Section 2.4 has been clarified in response to your suggestion. Section 2.5 reflects previous FERC orders on which elements of a standard are enforceable; therefore, your recommendation to include Measures as an enforceable element was not adopted.</p> <p>Regarding the addition of explicit authority to disband drafting teams, under the current process drafting teams are not selected by stakeholder consensus, as your comments indicate, but are appointed by the Standards Committee and report to the Standards Committee. The intent of the addition of explicit authority to disband a drafting team was simply to formalize what is implied in the current process, which is that the Standards Committee may disband the drafting teams it appoints and which report to it.</p> <p>Thank you for your support of sections 4.5 and 4.6.</p> <p>The Standards Committee has discussed the change you propose to section 4.9, and while the SC generally agrees with the intent of the change, it does not believe it is wise to place an explicit restriction in the process. The term “national holiday” may be</p>		

Organization	Yes or No	Question 3 Comment
		<p>interpreted differently by different entities. Further, while the Standards Committee anticipates that cases where a ballot would need to end on a holiday will be extremely rare, it is possible that at some point it would be necessary in order to meet a regulatory deadline. Therefore, the change you suggested was not adopted.</p> <p>Regarding section 4.15 – the Standards Committee does not believe that a statement that there is no limit to the number of comment periods and ballots that <i>may</i> be conducted is in conflict with having the authority to stop the process if it seems likely that no matter how many more times a standard is balloted, it is unlikely to reach consensus. The combination of these two tenets provides necessary flexibility.</p> <p>Regarding Section 8 – The appeals process in the Standard Processes Manual deals with standards that are in development and are therefore not yet enforceable. Because the required time periods for timely submission of an appeal as well as response to an appeal are short, both for Level 1 and Level 2, it is very unlikely that an entity would become subject to compliance with a standard while that entity’s appeal was pending consideration. Further, the Standards Committee does not have the authority to exempt an entity from compliance with a standard.</p>
SPP Standards Review Group		<p>Section 3.6, page 12 - delete the 3rd bullet Section 4.0, page 14, Text box (also throughout the SPM) - Change Final Ballot to Recirculation Ballot. All NERC correspondence refers to recirculation ballots not final ballots. A similar situation exists with initial ballot and successive ballot. Why don't we use this terminology in the SPM? Section 4.18, page 25, Rationale box - Delete the 'to' after 'specifically'. Section 9.1, page 37 - Replace 'team' with 'teams' in the last line of the 2nd paragraph. Section 13.0, page 46 - In the 5th line of the 1st paragraph delete the 's' following 'Reliability Standard'. Also in the 1st bullet of the 2nd paragraph delete 'and review' in the 3rd line.</p>
<p>Response: Thank you for your comments. The change in naming of ballots (from “recirculation” to “final”, and from “successive” to “additional”) conforms to the names that ANSI gives to ballots at each stage of the process. The suggestion typographical corrections have been made.</p>		
Tri-State G&T		<p>Section 4.11 indicates that voting “Negative without comment” is not possible. All reference to “negative votes without comments,” such as in the first bullet of 4.10 should be removed. In fact, if section 4.11 is accurate, then there is no need to</p>

Organization	Yes or No	Question 3 Comment
		reference “with comment” or “without comment” with regard to negative votes anywhere else in the document.
<p>Response: Thank you for your comment. The Standards Committee understands your comment but has not adopted your suggestion. The Standards Committee believes that, because the current process does allow negative ballots without comments, it is necessary to make the distinction in the revisions to the Standard Processes Manual.</p>		
Southern Company		<p>Southern Company (“Southern”) appreciates the Standards Committee Process Subcommittee’s (SCPS) efforts to implement the SPIG recommendations and to incorporate input and feedback from stakeholders. Southern also generally supports the direction in which the Standard Processes manual revisions are headed. As NERC’s summary details, there are three main categories of substantive changes in Version 3 of the Standard Processes Manual: (1) continued revisions towards the eventual elimination of VRFs, VSLs, Measures and RSAWs; (2) clarification of the absence of a comment period during a Final ballot and that negative votes during the Final Ballot will be deemed to have voted based on previously submitted comments or previous comments of others; and (3) introduction of numerous revisions, including incorporation of a notice period for stakeholders prior to consideration of a waiver request by the Standards Committee. Southern appreciates the opportunity to provide input on these latest proposed revisions, as further detailed below and in response to the first two questions included in the Unofficial Standard Comment Form for this project. Eventual Elimination of VRFs, VSLs, Measures and RSAWs NERC states that the SCPS is “continuing to work toward the elimination of the VRFs and VSLs through the development of potential alternatives and is actively working with NERC and Regional enforcement staff to establish a consensus on the concepts.” While these concepts are further developed, NERC states, Measures, VRFs, and VSLs will “continue to be drafted by the SDT and a non-binding poll of VRFs and VSLs will continue to be conducted consistent with the current process.” Southern supports the SCPS’s continued work with NERC and Regional enforcement staff to move away from VRFs and VSLs and toward a more risk-based compliance and enforcement framework. Southern acknowledges that the proposed revisions represent an</p>

Organization	Yes or No	Question 3 Comment
		<p>interim step towards this end goal, and looks forward to continued progress in this regard. In sum, Southern wishes to emphasize its support of the SPIG recommendations and of the NERC SPCS's efforts to respond to those recommendations. With the suggested recommendations above, Southern feels that the Standard Processes Manual can more accurately and precisely respond to the SPIG's recommendations in a way that ensures due process to registered entities and other stakeholders, and that provides certainty and stability to the entire ERO Enterprise going forward.</p>
<p>Response: Thank you for your support.</p>		
<p>Midwest Reliability Organization NERC Standards Review Forum</p>		<p>The NSRF understands that in order to stream line the Standard Development Process that a Quality Review (QR) will happen concurrently while the Standard is in development. The NSRF believes that the QR can only happen once the SDT has finished their updating of said Standard. While guidance will be given to the SDT by compliance and legal staff, the QR can only be accomplished when the SDT has finished their review. Perhaps this could be stated clearer within the SPM.</p>
<p>Response: The Quality Review process covers a number of quality aspects, ranging from checks for consistency across all of the documents associated with the standard (such as the implementation plan) with the standard, to simple copyediting for correct grammar, spelling and punctuation, to aspects such as the clarity, auditability, and enforceability of the draft requirements. Some aspects of quality will indeed be incorporated into drafting through the inclusion of appropriate skillsets on drafting teams, while other aspects may only be assessed once the drafting team has a complete set of work products. The intent of the language in the proposed revisions to the SPM is to allow latitude so that the approach to incorporating quality review can be adapted as the effects of implementing other changes to the process is better known. Further, input from drafting teams on quality review suggests that there is tremendous value to teams in having the input prior to completion of a final set of documents, and the proposed revisions allow this.</p>		
<p>American Electric Power</p>		<p>Throughout the commenting process for SPIG-driven recommendations, a number of proposals have been made by the drafting team seeking industry comment and input. Industry has spent substantial time and effort as it considers the proposals, only to</p>

Organization	Yes or No	Question 3 Comment
		<p>find some of them completely removed from the draft by the next comment period. Some of these deferred concepts have included proposals that industry, including AEP, supported (for example, the Sanction Table Reference and RSAW development process). AEP understands that this may happen from time to time, but in this case it would appear that the project scope needed to be more properly vetted before seeking industry comment. As a result, industry has invested time and resources to respond to proposals which are then unilaterally removed or deferred indefinitely. Releasing such wildly divergent drafts is not an efficient means for both either the drafting teams or industry.</p>
<p>Response: Thank you for your participation in developing responses to proposals. Please be assured that the time invested by the industry in reviewing and commenting on the proposals will not be wasted. It is still the intention that RSAWs will be developed in parallel with the development of a standard, with input from the standard drafting team. The Standards Committee agrees with you that there is value to this approach and will work with NERC Compliance staff to implement it. RSAWs are a compliance tool, and Section 3.10 of the proposed revisions contains the following language:</p> <p><i>The drafting team and the Compliance Monitoring and Enforcement Program Staff shall work together during the Reliability Standard development process to ensure an accurate and consistent understanding of the Requirements and their intent, and to ensure that applicable compliance tools accurately reflect that intent.</i></p> <p>The Standards Committee is also continuing to work with ERO Compliance Staff on alternatives to VSLs. The Sanction Table Reference was one such approach.</p>		
Luminant		<p>We are disappointed that the development of RSAWs by the Drafting Teams has been removed and support further review of this proposal in the next round of improvements to the standards process.</p>
<p>Response: Thank you for your comment and support of this proposal. It is still the intention that RSAWs will be developed in parallel with the development of a standard, with input from the standard drafting team. The Standards Committee agrees with you that there is value to this approach and will work with NERC Compliance staff to implement it. RSAWs are a compliance tool, and Section 3.10 of the proposed revisions contains the following language:</p> <p><i>The drafting team and the Compliance Monitoring and Enforcement Program Staff shall work together during the Reliability Standard</i></p>		

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<i>development process to ensure an accurate and consistent understanding of the Requirements and their intent, and to ensure that applicable compliance tools accurately reflect that intent.</i>		

END OF REPORT