Lunch will be provided at Noon on September 21 in NPCC offices. Attire is business casual.

NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

# NERC-NAESB-ISO/RTO Council Joint Interface Committee

September 21, 2004 (1–5 p.m. EDT)
September 22, 2004 (9 a.m.–Noon)

## AGENDA

**Meeting Location**
Northeast Power Coordinating Council
1515 Broadway, 43rd Floor
New York, NY 10036
Phone: 212-840-1070

**Conference Line Information**
Dial In Number: 816-650-0602
Pass Code: 6428060#
Conference Leader: Gerry Cauley

### Agenda

**1. Administrative Items**

a. Introductions

b. Roster and Quorum

c. Antitrust Guidelines

d. August 16, 2004 Meeting Minutes (**Approve**)

e. Meeting Agenda and Objectives

**2. Proposed Business Practice Standards**

a. Standard Energy Day for Natural Gas and Electric Industries (**Assign to NAESB**)

b. Electric Transaction Scheduling and Timelines (**Assign to NAESB**)

c. Operational Communications between Pipelines and Power Plants (**Assign to NAESB**)

**3. Proposed Reliability Standards**

a. Vegetation Management SAR (**Assign to NERC**)

**4. Preliminary Review of 2005 Annual Plans**

a. NAESB 2005 Annual Plan for Wholesale Electric Quadrant

b. NERC Standards Work Plan

**5. Other Business**

a. Other Business

b. Future Meetings and Conference Calls

**Adjourn**

## Background for Agenda Item 1 — Administrative Items

Item 1a — Co-Chairs Linda Campbell, Michael Deselle, and Karl Tammar will lead the introduction of JIC members and guests.

Item 1b — Secretary Cauley will check attendance and determine the presence of a quorum. The current JIC roster is provided in **Attachment 1**.

Item 1c — Rae McQuade will review the Antitrust Guidelines.

Item 1d — Secretary Cauley will present the draft minutes of the August 16, 2004 JIC meeting for approval (**Attachment 2**).

Item 1e — Co-chair Michael Deselle will review the meeting agenda and objectives.

## Background for Agenda Item 2 — Proposed Business Practice Standards

Item 2a — A NAESB representative will present the proposal for developing a standard energy day for use in the natural gas and electric industries (**Attachment 3**). The JIC is requested to assign development of the proposed standard to NAESB.

Item 2b — A NAESB representative will present the proposal for developing a standard on transaction scheduling and timelines (**Attachment 4**). The JIC is requested to assign development of the proposed standard to NAESB.

Item 2c — A NAESB representative will present the proposal for developing a standard on communications between pipelines and power plants (**Attachment 5**). The JIC is requested to assign development of the proposed standard to NAESB.

## Background for Agenda Item 3 — Proposed Reliability Standards

Item 3a — Gerry Cauley will present a NERC SAR to develop a standard on right-of-way vegetation management (**Attachment 6**). The JIC is requested to assign development of the proposed standard to NERC.

## Background for Agenda Item 4 — Preliminary Review of 2005 Work Plans

Item 4a — Rae McQuade will review a preliminary outline of the NAESB Wholesale Electric Quadrant 2005 Annual Work Plan.

Item 4b — Linda Campbell will review the current working draft of the Standards Authorization Committee's reliability standards work plan.

## Background for Agenda Item 5 — Other Business

Item 5a — JIC members are requested to present any additional business for consideration of the JIC.

Item 5b — The JIC is requested to set meeting dates for the remainder of 2004.

## Attachment 1

September 2004

# NAESB-NERC Joint Interface Committee

**NERC Representatives**

| | | | |
|---|---|---|---|
| **Co-Chair** | Linda Campbell<br>Director of Reliability | Florida Reliability Coordinating Council<br>1408 N. Westshore Boulevard<br>Suite 1002<br>Tampa, Florida 33607-4512 | (813) 289-5644<br>(813) 289-5646 Fx<br>lcampbell@<br>frcc.com |
| | Mark E. Fidrych<br>Power Operations Specialist | Western Area Power Administration<br>MC J0003<br>P.O. Box 3700<br>Loveland, Colorado 80539-3003 | (970) 461-7240<br>(970) 461-7299 Fx<br>fidrych@wapa.gov |
| | R. Scott Henry<br>Director, Regulatory Policy | Duke Power Company<br>P.O. Box 1006<br>Charlotte, North Carolina 28201-2006 | (704) 382-6182<br>(704) 382-4671 Fx<br>Em: rshenry@duke-<br>energy.com |
| | Sam R. Jones<br>Chief Operating Officer | Electric Reliability Council of Texas, Inc.<br>2705 West Lake Drive<br>Taylor, Texas 76574-2136 | (512) 248-3177<br>(512) 248-3095 Fx<br>sjones@ercot.com |
| | Edward A. Schwerdt<br>Executive Director | Northeast Power Coordinating Council<br>1515 Broadway<br>43rd Floor<br>New York, New York 10036-8901 | (212) 840-1070<br>(212) 302-2782 Fx<br>eschwerdt@<br>npcc.org |
| | Ed Tymofichuk<br>Division Manager,<br>Transmission System<br>Operations | Manitoba Hydro<br>P.O. Box 815<br>453 Dovercourt<br>Winnipeg, Manitoba R3Y 1G4 | (204) 487-5489<br>(204) 487-5360 Fx<br>tetymofichuk@hydro<br>.mb.ca |

**NAESB Representatives**

| | | | |
|---|---|---|---|
| **Co-Chair** | Michael Desselle<br>Director - Public Policy | American Electric Power<br>1616 Woodall Rodgers Freeway<br>Dallas, Texas 75202-1234 | (214) 777-1831<br>(214) 777-1831 Fx<br>mddesselle@<br>aep.com |
| | John A. Anderson<br>Executive Director | Electricity Consumers Resource Council<br>1333 H Street, N.W.<br>8th Floor, West Tower<br>Washington, D.C. 20005 | (202) 682-1390<br>(202) 289-6370 Fx<br>janderson@<br>elcon.org |
| | Syd Berwager<br>Industry Restructuring Project<br>Manager | Bonneville Power Administration<br>P.O. Box 3621<br>Portland, Oregon 97232 | (503) 230-5958<br>(503) 230-3270 Fx<br>sdberwager@<br>bpa.gov |
| | Barry Green<br>Director, U.S. and Interprovincial<br>Regulatory Affairs | Ontario Power Generation Inc.<br>700 University Avenue, H18 G3<br>Toronto, Ontario M5G 1X6 | (416) 592-7883<br>(416) 592-8519 Fx<br>barry.green@<br>opg.com |

| | | | |
|---|---|---|---|
| | Alan R. Johnson<br>Manager Business and Reliability Standards | Mirant Corp.<br>1155 Perimeter Center West<br>Atlanta, Georgia 30338 | (678) 579-3108<br>(678) 579-7726 Fx<br>alan.r.johnson@mirant.com |
| | Lou Oberski<br>Director, Electric Market Power | Dominion Resources Services, Inc.<br>120 Tredegar Street<br>Richmond, Virginia 23219 | (804) 787-5714<br>(804) 787-6473 Fx<br>lou_oberski@dom.com |
| | Mary Ellen Paravalos<br>Manager ITC Development | National Grid USA<br>25 Research Drive<br>Westborough, Massachusetts 01582 | (508) 389-3233<br>(508) 389-3129 Fx<br>mary.ellen.paravalos@<br>us.ngrid.com |

**NAESB Alternates**

| | | | |
|---|---|---|---|
| | Edward J. Davis<br>Policy Consultant | Entergy Services, Inc.<br>L-MOB-18E<br>P.O. Box 61000<br>New Orleans, Louisiana 70161 | (504) 310-5884<br>(504) 310-5477 Fx<br>edavis@<br>entergy.com |
| | Andy Dotterweich<br>General Supervisor-Federal Regulatory Affairs | Consumers Energy Co.<br>212 W. Michigan Avenue<br>Jackson, Michigan 49281 | (517) 788-0495<br>acdotterweich@<br>cmsenergy.com |
| | John P. Hughes<br>Director of Technical Affairs | Electricity Consumers Resource Council<br>1333 H Street, N.W.<br>8th Floor, West Tower<br>Washington, D.C. 20005 | (202) 682-1390<br>(202) 289-6370 Fx<br>jhughes@<br>elcon.org |
| | Tony Reed<br>Project Manager | Southern Company Services<br>600 North 18th Street/GS-8260<br>Birmingham, Alabama 35203 | (205) 257-7766<br>((205) 257-6824 Fx<br>alan.r.Johnson@mirant.com |
| | Thomas Ringenbach<br>Manager, Business Standards | American Electric Power<br>1 Riverside Plaza<br>13th Floor<br>Columbus, Ohio 43215 | (614) 223-2679<br>(614) 716-1405 Fx<br>tjringenback@<br>aep.com |
| | Jim Templeton<br>Principal | Comprehensive Energy Services, Inc.<br>2929 Briarpark, Suite 220<br>Houston, TX 77042 | (713) 759-6999<br>(713) 781-4966 Fx<br>jrtemplton@<br>aol.com |
| | Walter L. Yeager<br>Managing Director,<br>Market Development | Cinergy Services, Inc.<br>139 East Fourth Street<br>Cincinnati, Ohio 45202 | (513) 419-5711<br>(513) 419-5511 Fx<br>wyeager@cinergy.com |

**ISO/RTO Council**

| | | | |
|---|---|---|---|
| **Co-Chair** | Karl Tammar<br>Administrator of Industry Affairs | New York Independent System Operator<br>3890 Carman Road<br>Schenectady, New York 12303 | (518) 356-6205<br>(518) 356-6118 Fx<br>ktammar@<br>nyiso.com |

| | | | |
|---|---|---|---|
| | Bill Limbrick | IMO<br>Station A<br>Box 4474<br>Toronto, Ontario M5W 4E5 | (905) 855-6293<br>(905) 855-6471 Fx<br>bill.limbrick@<br>theimo.com |
| | Ed Riley<br>Director of Regional Coordination | California ISO<br>151 Blue Ravine Road<br>Folsom, California 95630 | (916) 351-4463<br>(916) 351-4486 Fx<br>eriley@caiso.com |
| | H. Kent Saathoff<br>Director of System Operations | Electric Reliability Council of Texas, Inc.<br>2705 West Lake Drive<br>Taylor, Texas 76574 | (512) 248-3011<br>(512) 248-3095 Fx<br>ksaathoff@<br>ercot.com |
| | Audrey Zibelman<br>Executive Vice President | PJM Inteconnection, L.L.C.<br>955 Jefferson Avenue<br>Norristown, Pennsylvania 19403-2497 | (610) 666-3184<br>(610) 666-4281 Fx<br>zibela@pjm.com |
| **IRC Alternates** | | | |
| | M. Dale McMaster<br>Executive Vice President | Alberta Electric System Operator<br>1800, 700-4th Avenue, S.W.<br>Calgary, Alberta T2P 3J4 | (403) 705-5202<br>(403) 543-0388 Fx<br>dale.mcmaster@<br>aeso.ca |
| | William C. Phillips<br>Vice President Operations | Midwest ISO<br>701 City Center Drive<br>Carmel, Indiana 46032 | (317) 249-5420<br>(317) 249-5703 Fx<br>wphillips@<br>midwestiso.org |
| | Stephen G. Whitley<br>Vice President, System Operations | ISO New England, Inc.<br>One Sullivan Road<br>Holyoke, Massachusetts 01040-2841 | (413) 535-4361<br>(413) 535-4050 Fx<br>swhitley@<br>iso-ne.com |
| | Charles Yeung<br>Executive Director, Interregional Affairs | Southwest Power Pool<br>415 North McKinley<br>Suite 800<br>Little Rock, Arkansas 72205 | (823) 724-6142<br>cyeung@spp.org |
| **Secretary** | Gerry W. Cauley<br>Director - Standards | North American Electric Reliability Council<br>116-390 Village Boulevard<br>Princeton, New Jersey 08540-5731 | (609) 452-8060<br>(609) 452-9550 Fx<br>gerry.cauley@<br>nerc.net |

NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

# NERC-NAESB-ISO/RTO Council Joint Interface Committee

NAESB Offices
1301 Fannin, Suite 2350
Houston, Texas 77002

August 16, 2004

**MINUTES (DRAFT)**

## Attendance

**NERC Members/Alternates**
Linda Campbell, FRCC (Co-Chair) [Phone]
Mark Fidrych, WAPA [Phone]
Scott Henry, Duke Power [Phone]
Sam Jones, ERCOT [Phone]
Ed Schwerdt, NPCC [Phone]
Ed Tymofichuk, Manitoba Hydro [Phone]
Gerry Cauley, NERC (Secretary)

**IRC Members/Alternates**
Karl Tammar, NYISO (Co-Chair)
Dale McMaster, AESO [Phone]
Ed Riley, CAISO
Kent Saatoff, ERCOT [Phone]
Charles Yeung, SPP

**NAESB Members/Alternates**
Michael Desselle, AEP (Co-Chair)
John Anderson, ELCON [Phone]
Sydney Berwager, BPA [Phone]
Ed Davis, Entergy
Barry Green, OPG [Phone]
Alan Johnson, Mirant [Phone]
Lou Oberski, Dominion Resources [Phone]
Andy Dotterweich, Consumers (Alternate) [Phone]
Tony Reed, Southern Company (Alternate) [Phone]

**Observers/Guests/Staff**
Bruce Balmat, MAAC [Phone]
Scott Brown, Exelon [Phone]
James Cargas, NAESB
Phil Cox, AEP [Phone]
Joel Dison, Southern Company
Laura Kennedy, NAESB
DeDe Kirby, NAESB
Bill Lohrman, NERC
Rae McQuade, NAESB

## Introductions

Co-Chair Michael Desselle called the meeting to order and led introductions of those present and on the conference line.

## Quorum

Secretary Gerry Cauley determined a quorum of the JIC was available to conduct business.

### Antitrust

Jim Cargas of NAESB read the antitrust guidelines for conduct of the meeting.

### Agenda

Co-Chair Desselle reviewed the meeting agenda. The agenda was approved by consent.

### Minutes

Three editorial corrections were noted to the attendance list of the July 16, 2004, JIC minutes. With these revisions, Ed Riley moved to approve the July 16 minutes. The minutes were approved without objection.

### Joint NERC-NAESB Recommendation on Version 0 Standards

Joel Dison and Gerry Cauley presented a joint NERC-NAESB recommendation on assignment of reliability standards and business practices. The recommendation is provided in **Exhibit A** and the presentation is in **Exhibit B**.

The JIC discussed the Transmission Loading Relief procedure, which is proposed to be developed in Version 0 as both a NERC and a NAESB standard. Several JIC members commented that the Version 0 TLR procedure should be identical in both organizations. It was noted that if any changes to the TLR procedure were requested after Version 0 is approved, they should be forwarded to the joint task force working on the Version 1 TLR procedure.

A concern was expressed that by approving the TLR procedure as a standard it could be interpreted that TLR was the exclusive standard for managing congestion in the Eastern Interconnection. Gerry Cauley noted that incorporating the TLR procedure into the NERC and NAESB Version 0 standards does not elevate the TLR procedure from its current status. The TLR procedure is one congestion management approach that is required for use in the Eastern Interconnection, but it is not an exclusive method. Regional and local congestion management, using market-based or other models, is allowed and encouraged, and will continue to be so once Version 0 is approved.

*John Anderson moved to approve the NERC SAR and NAESB standard request for the development of Version 0 reliability and business practice standards, respectively, as identified by the joint NERC/NAESB task force. Ed Davis seconded the motion.*

Co-Chair Desselle requested a roll call vote and the motion was approved unanimously as follows:

| **NERC** | | **NAESB** | | **IRC** | |
|---|---|---|---|---|---|
| Linda Campbell | Approve | Michael Desselle | Approve | Karl Tammar | Approve |
| Scott Henry | Approve | John Anderson | Approve | Ed Riley | Approve |
| Mark Fidrych | Approve | Syd Berwiger | Approve | Dale McMaster | Approve |
| Sam Jones | Approve | Ed Davis | Approve | Kent Saatoff | Approve |
| Ed Schwerdt | Approve | Barry Green | Approve | Charles Yeung | Approve |
| Ed Tymofichuk | Approve | Alan Johnson | Approve | | |
| | | Lou Oberski | Approve | | |

## Future Meetings

The JIC set its next meeting for September 21 (1–5 p.m.) and September 22 (8 a.m.–noon) at NPCC offices in New York City. NPCC offered to provide lunch on the first day beginning at noon. The agenda is as follows:

- Assignment of standards requests to NAESB and NERC
- Preliminary review of 2005 annual plans

## Adjourn

There being no further business, the meeting was adjourned.

# R04016

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or Request for Enhancement of a NAESB Standard for Electronic Business Transactions**



**North American Energy Standards Board**

**Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**
**Or**
**Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**

**Instructions:**

1. **Please fill out as much of the requested information as possible. It is mandatory to provide a contact name, phone number and fax number to which questions can be directed. If you have an electronic mailing address, please make that available as well.**

2. **Attach any information you believe is related to the request. The more complete your request is, the less time is required to review it.**

3. **Once completed, send your request to:**

   **Rae McQuade**
   **NAESB, Executive Director**
   **1301 Fannin, Suite 2350**
   **Houston, TX 77002**

   **Phone: 713-356-0060**
   **Fax: 713-356-0067**

   **by either mail, fax, or to NAESB's email address, naesb@aol.com.**

**Once received, the request will be routed to the appropriate subcommittees for review.**

**Please note that submitters should provide the requests to the NAESB office in sufficient time so that the NAESB Triage Subcommittee may fully consider the request prior to taking action on it. It is preferable that the request be submitted a minimum of 3 business days prior to the Triage Subcommittee meetings. Those meeting schedules are posted on the NAESB web site at http://www.naesb.org/monthly_calendar.asp.**

**North American Energy Standards Board**

**Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**
**Or**
**Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**

Date of Request: _May 25,2004_____

1. Submitting Entity & Address:

KeySpan Utility Services
One Metrotech Center
Brooklyn NY 11201

Also: Duke Energy Gas Transmission
5400 Westheimer Ct
Houston, Texas 77056

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name : Dolores Chezar
Title : Regulatory Policy
Phone : 718-403-2987
Fax : 718-246-2927
E-mail : dchezar@keyspanenergy.com_

Contact person for Duke Energy Gas Transmission
Name : Kathryn Burch
Title : Project Manager – Standards & Regulatory Compliance
Phone : 713-627-5765
Fax : 713-989-1534
E-mail : klburch@duke-energy.com

3. Description of Proposed Standard or Enhancement:

Request that NAESB develop a standard energy day that would apply to both the natural gas and electric industries. Request that the energy day be standardized as midnight to midnight central time. Make any conforming changes to existing WGQ NAESB Standards.

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard, and required communication protocols

_____
_____
_____
_____

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

   While there are many benefits – the overriding benefit is that a common energy day would foster the coordination of scheduling between electric and natural gas and allow both the electric and gas industries to more closely match fuel deliveries to generation requirements. For the electric power generators, this coordination would decrease the risk incurred when they are required to take binding positions far in advance of the gas day. For the natural gas industry, the nominations of receipts and deliveries on the pipeline grid will be closer to actual daily requirements. Today, the gas day begins at 9 AM Central Time and the electric day starts at 12 AM but varies from region to region. Standardization would contribute to seamless coordination across timelines and the gas and electric grids. This can be accomplished by starting an energy day at 12 AM when neither the gas nor electric industries peak.

   As a result of the work of the GECTF it became obvious to a number of the participants that, before NAESB could work on any standards that might be requested (based on the work product of the GECTF), the first step should be the establishment of a standard energy day.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:
   To be determined: For the natural gas industry, there would be some one-time costs involved with changing from a Gas Day that begins at 9:00am CCT to an Energy Day that begins at 12:00am CCT; these costs would include, but are not necessarily limited to, reprogramming of gas control SCADA systems, customer interface systems and the various measurement systems used by producers, pipelines, LDCs and/or end-users. Presumably, there would be similar one-time costs for the electric industry.

7. Description of Any Specific Legal or Other Considerations:

To be determined.

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

_____
_____
_____
_____

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :

_____
_____
_____
_____

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

_____
_____
_____
_____

# R04020

**North American Energy Standards Board**

**Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**
**or**
**Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**

**Instructions:**

1. **Please fill out as much of the requested information as possible. It is mandatory to provide a contact name, phone number and fax number to which questions can be directed. If you have an electronic mailing address, please make that available as well.**

2. **Attach any information you believe is related to the request. The more complete your request is, the less time is required to review it.**

3. **Once completed, send your request to:**

   **Rae McQuade**
   **NAESB, Executive Director**
   **1301 Fannin, Suite 2350**
   **Houston, TX 77002**

   **Phone: 713-356-0060**
   **Fax: 713-356-0067**

   **by either mail, fax, or to NAESB's email address, naesb@aol.com.**

**Once received, the request will be routed to the appropriate subcommittees for review.**

**Please note that submitters should provide the requests to the NAESB office in sufficient time so that the NAESB Triage Subcommittee may fully consider the request prior to taking action on it. It is preferable that the request be submitted a minimum of 3 business days prior to the Triage Subcommittee meetings. Those meeting schedules are posted on the NAESB web site at http://www.naesb.org/monthly_calendar.asp.**

# R04020

**North American Energy Standards Board**

**Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**
**or**
**Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**

**Date of Request: June 29, 2004**

**1. Submitting Entity & Address:**

Tennessee Valley Authority
1101 Market Street, MR2A
Chattanooga, TN 37402-2801

**2. Contact Person, Phone #, Fax #, Electronic Mailing Address:**

| | | | |
|---|---|---|---|
| **Name :** | Kathy York | or | Valerie Crockett |
| **Title :** | Energy Market & Policy Specialist | | Energy Market & Policy Specialist |
| **Phone :** | 423-751-3398 | | 423-751-6096 |
| **Cell :** | | | 423-580-9918 |
| **Fax :** | 423-751-3376 | | 423-751-8702 |
| **E-mail :** | keyork@tva.gov | | vjcrockett@tva.gov |

**3. Description of Proposed Standard or Enhancement:**

Establish business standards relating to electric transaction scheduling and timelines which will address the following:

A. Interchange schedule coordination including ramp times (Seams issue #41 & GECTF Discussion Point List item D.)

B. Standardize Interchange Scheduling components of Day Ahead Market Design. Identify possible tools that can accommodate different interchange requirement rules.

Include other scheduling components of Day Ahead Market Design to accommodate inter-RTO transactions. (Seams issue #78, 79, 106 & GECTF Discussion Point List item D.)

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard and required communication protocols):

Development of uniform interchange scheduling transactions will assist the electric industry in achieving greater reliability through efficient process protocol. Consistency of information and timing between inter-regional transactions can provide greater confidence in interchange seams helping to keep market participants on schedule and committing participants from reluctantly deviating from schedules.

These standards should be developed to help minimize seams issues existing between RTOs and non-RTO control areas, thus supporting NERC's efforts to strengthen its existing reliability policies and planning standards. In addition, these new business standards should address barriers and resolve inefficiencies that interfere with the ability to transact electric capacity and energy across control area boundaries.

This request supports the work of the NAESB Business Practice Subcommittee which outlined electric transaction scheduling as a seams issue (outlined in the Seams Catalog submitted to FERC) as well as support the work of the NAESB Gas Electric Coordination Task Force which identified electric market timelines as a barrier to coordination between the gas and electric markets (outlined in the draft final report of the Gas Electric Coordination Task Force).

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

The proposed standards would make uniform scheduling transactions available to the industry by enhancing coordination between the regional transmission organizations and the interchange transaction and electricity HUB markets. Additionally, this standard would provide more inter-regional reliability by balancing interchange schedules (validation of sources and sinks, transmission reservation communication, Interconnected Operations Services, etc., as provided on the interchange transaction tag); enhance verification of ramping capability for requested interchange schedules with the Balancing Authorities; collect and disseminate interchange transaction approvals, changes, denials, and rejections; and authorize implementation of interchange transactions.

# R04020

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

To be determined. There could be some initial costs related to changing processes and software interfaces between RTOs, other control areas, and customers. Many of these costs may be captured as a result of standardization of an Energy Day (R04016), depending on the timing and prioritization of the requests.

7. Description of Any Specific Legal or Other Considerations:

Cannot be determined at this time.

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

The above named requester is willing to test any standards which may be developed. Other participants are not yet determined.

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners:

Not applicable.

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

None at this time.

Attachment 5

# R04021

**North American Energy Standards Board**

**Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**
**or**
**Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**

**Instructions:**

1. **Please fill out as much of the requested information as possible. It is mandatory to provide a contact name, phone number and fax number to which questions can be directed. If you have an electronic mailing address, please make that available as well.**

2. **Attach any information you believe is related to the request. The more complete your request is, the less time is required to review it.**

3. **Once completed, send your request to:**

   **Rae McQuade**
   **NAESB, Executive Director**
   **1301 Fannin, Suite 2350**
   **Houston, TX 77002**

   **Phone: 713-356-0060**
   **Fax: 713-356-0067**

   **by either mail, fax, or to NAESB's email address, naesb@aol.com.**

**Once received, the request will be routed to the appropriate subcommittees for review.**

**Please note that submitters should provide the requests to the NAESB office in sufficient time so that the NAESB Triage Subcommittee may fully consider the request prior to taking action on it. It is preferable that the request be submitted a minimum of 3 business days prior to the Triage Subcommittee meetings. Those meeting schedules are posted on the NAESB web site at http://www.naesb.org/monthly_calendar.asp.**

# R04021

**North American Energy Standards Board**

**Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**
**or**
**Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction**

Date of Request: June 28, 2004

1. Submitting Entity & Address:

Natural Gas Pipeline Company of America
500 Dallas Street, Suite 1000
Houston, Texas 77002

CrossCountry Energy
1331 Lamar Street, Suite 650
Houston, Texas 77010

Salt River Project
P.O. Box 52025
Phoenix, AZ 85072-2025

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name : Paul Love (NGPL)
Title : Director, Electronic Customer Services
Phone : (713)369-9320
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Name : Donna Scott
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Name : Diane McVicker
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3. Description of Proposed Standard or Enhancement:

# R04021

Develop standards for the daily operational communications between pipelines and power plants. These communications standards would include anticipated power generation fuel requirements for the upcoming day as well as notification anytime plans change. Likewise standards for pipeline communications for any operating problems that might hinder power plants from receiving required contractual quantities when needed would be developed.

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard, and required communication protocols):
   These standards would be used for operational communications between power plants and pipelines.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:
   More reliable/efficient power plant and pipeline operations.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

7. Description of Any Specific Legal or Other Considerations:

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

*When completed, email to: gerry.cauley@nerc.net*

## Standard Authorization Request Form

| | |
|---|---|
| Title of Proposed Standard | Transmission System Vegetation Management |
| Request Date | May 19, 2004 |

| **SAR Requestor Information** | **SAR Type** (Put an 'x' in front of one of these selections) | |
|---|---|---|
| Name Vegetation Management Task Force of the PC's Transmission Issues Subcommittee | ☒ | New Standard |
| Primary Contact Ray Wiesehan – Co-chair<br>Ken Donohoo – Co-chair<br>John Twitchell – NERC Staff | ☒ | Revision to existing Standard - This standard will replace the April 2004 NERC vegetation management compliance template and the "Version 0" standard currently under development. |
| Telephone R. Wiesehan – 314-554-6379<br>K. Donohoo – 512-248-3003<br>J. Twitchell – 609-452-8060<br>Fax | | Withdrawal of existing Standard |
| E-mail R. Wiesehan rwiesehan@ameren.com<br>K. Donohoo kdonohoo@ercot.com<br>J. Twitchell john.twitchell@nerc.net | | Urgent Action |

**Purpose/Industry Need** (Provide one or two sentences)

**Purpose** – This standard shall apply to 100 kV or higher voltage transmission lines (and lower voltage transmission lines determined to be critical to reliability by the Regional Reliability Councils) over which NERC has oversight.

This standard is intended to improve the reliability of the electric transmission systems by eliminating transmission outages from vegetation located on transmission rights-of-way (ROW) and minimizing outages from vegetation located adjacent to ROW, maintaining safe clearances between transmission lines and vegetation on and along transmission rights-of-way, and establishing a system for reporting vegetation-related outages of the transmission systems (+200 kV) to the respective Regional Reliability Councils and NERC.

**Industry Need** – The August 14, 2003 blackout is the most recent demonstration that ineffective vegetation management may have serious adverse impacts on the reliability of the electric transmission systems. This standard will assist in reducing vegetation-related transmission outages by requiring each transmission owner to have a documented vegetation management program in place, including documentation of its implementation. Each program is to be designed for the geographical area and specific design configurations of the transmission owner's system. This standard will also provide for uniform reporting of vegetation-related outages to the Regions and to NERC so that Planning Authorities and Reliability Authorities may measure the impact of vegetation-related outages on the reliability of the interconnected electric transmission systems.

### *Reliability Functions*

| **The Standard will Apply to the Following Functions** *(Check box for each one that applies by double clicking the grey boxes.)* | | |
|---|---|---|
| | Reliability Authority | Ensures the reliability of the bulk transmission system within its Reliability Authority area. This is the highest reliability authority. |
| | Balancing Authority | Integrates resource plans ahead of time, and maintains load-interchange-resource balance within its metered boundary and supports system frequency in real time |
| | Interchange Authority | Authorizes valid and balanced Interchange Schedules |
| | Planning Authority | Plans the bulk electric system |
| | Resource Planner | Develops a long-term (>1year) plan for the resource adequacy of specific loads within a Planning Authority area. |
| | Transmission Planner | Develops a long-term (>1 year) plan for the reliability of transmission systems within its portion of the Planning Authority area. |
| | Transmission Service Provider | Provides transmission services to qualified market participants under applicable transmission service agreements |
| X | Transmission Owner | Owns and responsible for ensuring maintenance of transmission facilities |
| | Transmission Operator | Operates and maintains the transmission facilities, and executes switching orders |
| | Distribution Provider | Provides and operates the “wires” between the transmission system and the customer |
| | Generator Owner | Owns and maintains generation unit(s) |
| | Generator Operator | Operates generation unit(s) and performs the functions of supplying energy and Interconnected Operations Services |
| | Purchasing-Selling Entity | The function of purchasing or selling energy, capacity and all necessary Interconnected Operations Services as required |
| | Market Operator | Integrates energy, capacity, balancing, and transmission resources to achieve an economic, reliability-constrained dispatch. |
| | Load-Serving Entity | Secures energy and transmission (and related generation services) to serve the end user |

### *Reliability and Market Interface Principles*

| **Applicable Reliability Principles** *(Check boxes for all that apply by double clicking the grey boxes.)* | |
|---|---|
| X | 1. Interconnected bulk electric systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards. |
| | 2. The frequency and voltage of interconnected bulk electric systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand. |
| | 3. Information necessary for the planning and operation of interconnected bulk electric systems shall be made available to those entities responsible for planning and operating the systems reliably. |
| | 4. Plans for emergency operation and system restoration of interconnected bulk electric systems shall be developed, coordinated, maintained and implemented. |
| | 5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk electric systems. |
| X | 6. Personnel responsible for planning and operating interconnected bulk electric systems shall be trained, qualified and have the responsibility and authority to implement actions. |
| X | 7. The security of the interconnected bulk electric systems shall be assessed, monitored and maintained on a wide area basis. |
| **Does the proposed Standard comply with all of the following Market Interface Principles?** *(Select 'yes' or 'no' from the drop-down box by double clicking the grey area.)* | |
| 1. The planning and operation of bulk electric systems shall recognize that reliability is an essential requirement of a robust North American economy. | |
| 2. An Organization Standard shall not give any market participant an unfair competitive advantage. | |
| 3. An Organization Standard shall neither mandate nor prohibit any specific market structure. | |
| 4. An Organization Standard shall not preclude market solutions to achieving compliance with that Standard. | |
| 5. An Organization Standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards. | |

**Detailed Description** (Provide enough detail so that an independent entity familiar with the industry could draft, modify, or withdraw a Standard based on this description.)

This standard will require transmission owners to have a documented vegetation management program that includes the following elements:

**New Line Design**

Development of New Line Routes – A transmission owner shall demonstrate that its routing decisions for new transmission lines include consideration of current and expected vegetation growth and encroachment. Definition of the appropriate ROW width and development of long-term vegetation management plans shall be addressed in the design stage of a new transmission facility.

ROW and Easement Documents – Easement documents should clearly provide the transmission owner with the rights required to establish and maintain appropriate clearances from vegetation under and adjacent to any transmission lines. The documents should also provide the transmission owner with the flexibility to utilize approved methods of vegetation management, and to remove and/or prune off-easement trees that provide a threat to the transmission line.

**Ongoing Transmission Vegetation Management Operations**

Vegetation Management Program

- Understanding Work Load –Workload projections, planning, budgeting and scheduling shall be based on an accurate understanding of the existing and likely future vegetation under and adjacent to existing transmission lines.

- Clearly Defined Objectives –Transmission owners shall have a formal management plan outlining vegetation management practices, objectives, and approved procedures.

Annual Work Plan – Each transmission owner shall develop and document an annual work plan that contains the following elements:

- Funding – A budget for vegetation management shall be established that reflects local knowledge of the type, cost, and frequency of required work. (The Vegetation Management Task Force recognizes that funding is not a typical element of a NERC standard. Many members of the task force believe, however, that a budget that is based on the scope of the vegetation management program and objectives to be achieved and modified only to reflect changes in actual conditions is an important component of an annual vegetation management work plan. The task force invites comments from industry on this issue.)

- Inspections – The work plan shall identify the schedule for ROW inspections. The results of inspections shall be clearly documented and responses to the findings shall be developed.

- Schedules – The work plan shall identify the schedule for vegetation management activity, including mechanical clearing, herbicide treatment, and other actions. The schedule should be based on the threshold of need established from inspections and flexible enough to adjust to naturally influenced growth conditions, geography, demographics, land use, and unforeseen events, weather conditions, and un-planned work.

- Quality Assurance - The work plan shall contain a documented procedure for ensuring that work is completed per specifications and in accordance with the work schedule.

Mitigation – The vegetation management program shall identify ROW areas that do not meet the transmission owner's standards for vegetation management (e.g. easement restrictions, reclamation of ROWs, etc.) and shall include a process that achieves appropriate clearances that protect the facilities or specifies the special procedures designed to ensure the reliability of affected line areas.

Clearance Standards – Each transmission owner shall establish and document acceptable clearances between any bare, energized transmission conductor and vegetation, taking into consideration transmission line voltage and conductor sag and sway under maximum design loading of the transmission line, including the effects of ambient temperatures and wind velocities. The Vegetation Management Task Force believes that there should be a standard for clearances between energized conductors and vegetation (e.g. NESC 218, NESC 232 or another appropriate standard or standards). This standard for clearances should be selected or designed during the process of developing this SAR into a vegetation management standard.

Personnel Qualifications – Transmission owner and contract employees at all levels in a vegetation management program shall have appropriate qualifications, ongoing documented training, and applicable certifications to perform the required work.

Communications – The transmission owner shall immediately report conditions that present an imminent threat of a transmission line outage, or a reduction in transmission line rating, to the appropriate reliability authority.

**Regional Outage Reporting Plan for Voltages 200 kV and Above**

Periodic Reporting of Outages – Each transmission owner shall report to its Regional Reliability Council (RRC) all vegetation-related outages on transmission circuits 200 kV and higher and any other lower voltage lines designated by the RRC to be critical to the reliability of the electric system. Any exceptions to the reporting of line outages due to vegetation shall be defined in the vegetation management program. The Regions, in turn, shall report quarterly results to NERC Planning Authorities and Reliability Authorities.

**Compliance Measures**

- Performance: Measuring transmission owner performance through the Periodic Reporting of Outages section of this standard will be an effective metric to assess compliance with the goals of the standard.

- Field audits shall be an essential component of compliance monitoring in addition to the inspection of the documentation of vegetation management programs, implementation of the programs, and personnel qualifications. Clearances shall be measured between vegetation and energized conductor on transmission lines selected for inspection and adjusted for actual line loading, ambient temperature, and wind conditions and compared to design data.

- Self-certification: The transmission owner annually self-certifies that it has performed

maintenance in the annual work plan according to the requirements and procedures contained in the program.

- Audits – The Regional Reliability Council will periodically audit the transmission owners compliance with the vegetation management standard.

### *Related Standards*

| Standard No. | Explanation |
|---|---|
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### *Related SARs*

| SAR ID | Explanation |
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### *Regional Differences*

| Region | Explanation |
|---|---|
| ECAR | |
| ERCOT | |
| FRCC | |
| MAAC | |
| MAIN | |
| MAPP | |
| NPCC | |
| SERC | |
| SPP | |
| WECC | |

### *Related NERC Operating Policies or Planning Standards*

| ID | Explanation |
|---|---|
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***Comments from industry are being solicited during the comment period to assist in preparing an implementation plan for this standard.***