



# NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL

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

March 24, 2005

Edward A Schwerdt  
Chair, Regional Managers Committee  
Northeast Power Coordinating Council  
1515 Broadway, 43<sup>rd</sup> Floor  
New York, New York 10036-8901

Dear Ed:

## RFP for Congestion Management Option 3

We are writing to acknowledge your February 23, 2005 letter on behalf of the Regional Managers asking that NERC prepare a request for proposal for the Congestion Management Option 3 tool by the beginning of January 2006. We are doing two things to accomplish this objective:

First, we have formed a project management team of NERC staff members under Larry Kezele's leadership. That team will be responsible for ensuring that we meet the project's goals and objectives, which includes the RFP mentioned in your letter.

Second, we are asking the NERC/NAESB TLR Subcommittee to serve as technical advisors to this project team. As technical advisors, the subcommittee will develop the functional requirements to achieve the objectives of Option 3 granularity and draft the business plan. We believe the subcommittee is well suited for this task, not only because of the expertise of its members individually, but also because several of those members are officers or representatives of other NERC or NAESB subcommittees or groups. For example:

- Michael Desselle — TLR Subcommittee Chairman and NAESB WEQ Vice Chairman
- Julie Pierce — IDC Working Group Chairman
- Pat Shanahan — Distribution Factor Working Group Chairman
- Robert Rhodes — Reliability Coordinator representative

We are now developing a project plan and will provide reports to, and seek advice from, the Regional Managers and Finance and Audit Committee as this project progresses.

Sincerely,

Mark E. Fidrych  
Chairman, NERC Operating Committee

Donald M. Benjamin  
Vice President – Operations

cc: Regional Managers  
Finance and Audit Committee  
NERC/NAESB TLR Subcommittee  
Interchange Distribution Calculator Working Group  
Operating Reliability Subcommittee  
Reliability Coordinator Working Group

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Phone 609-452-8060 ■ Fax 609-452-9550 ■ URL [www.nerc.com](http://www.nerc.com)