

167 FERC ¶ 61,127  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

18 CFR Part 38

[Docket No. RM05-5-027]

Standards for Business Practices and Communication Protocols for Public Utilities

(Issued May 16, 2019)

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of Proposed Rulemaking.

SUMMARY: The Federal Energy Regulatory Commission (Commission) proposes to amend its regulations to incorporate by reference, with certain enumerated exceptions, the latest version (Version 003.2) of certain Standards for Business Practices and Communication Protocols for Public Utilities adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB). The WEQ Version 003.2 Standards build upon the standards included in the WEQ Version 003.1 Standards and include, in their entirety, the modifications submitted to the Commission in WEQ Version 003.1, which were the subject of an earlier notice of proposed rulemaking, with the addition of certain revisions and corrections. The revisions made by NAESB in this version of the standards are designed to aid public utilities with the consistent and uniform implementation of requirements promulgated by the Commission as part of the *pro forma* Open Access Transmission Tariff.

**DATES:** Comments are due **[INSERT DATE 60 days after publication in the FEDERAL REGISTER]**

**ADDRESSES:** Comments, identified by Docket No. RM05-5-027, may be filed electronically at <http://www.ferc.gov> in acceptable native applications and print-to-PDF, but not in scanned or picture format. For those unable to file electronically, comments may be filed by mail or hand-delivery to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, NE, Washington, DC 20426. The Comment Procedures Section of this document contains more detailed filing procedures.

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**SUPPLEMENTARY INFORMATION:**

167 FERC ¶ 61,127  
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Standards for Business Practices and Communication      Docket No. RM05-5-027  
Protocols for Public Utilities

NOTICE OF PROPOSED RULEMAKING

(Issued May 16, 2019)

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## I. Overview

1. The Commission has issued a notice of proposed rulemaking<sup>1</sup> regarding the Version 003.1 business practice standards (WEQ Version 003.1 Standards) adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB) and has received comments on that NOPR in Docket No. RM05-5-025; however, the Commission has not taken any final action on those standards. NAESB has now adopted its Version 003.2 WEQ Business Practice Standards (WEQ Version 003.2 Standards).<sup>2</sup> The WEQ Version 003.2 Standards include, in their entirety, the WEQ Version 003.1 Standards, with the addition of certain revisions and corrections. The NAESB WEQ Version 003.2 Report concludes from this that, as “WEQ Version 003.2 includes the entirety of modifications submitted to the Commission in WEQ Version 003.1, action on the previously submitted version is unnecessary should the Commission choose.”<sup>3</sup> We find this suggestion has merit and, thus, in the interest of efficiency we

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<sup>1</sup> *Standards for Business Practices and Communication Protocols for Public Utilities, Notice of Proposed Rulemaking*, 81 FR 49580 (July 28, 2016), 156 FERC ¶ 61,055 (2016), (WEQ Version 003.1 NOPR).

<sup>2</sup> See Docket No. RM05-5-027, Report of the North American Energy Standards Board on Wholesale Electric Quadrant Business Practice Standards Version 003.2 under RM05-5 (Dec. 8, 2017) (NAESB WEQ Version 003.2 Report).

<sup>3</sup> NAESB WEQ Version 003.2 Report at 4. We note that, in the past, the Commission followed this same procedure in Order No. 676-E, wherein the Commission incorporated changes made by NAESB in both the WEQ Version 002.0 Standards and in the WEQ Version 002.1 Standards without taking separate action on the WEQ Version 002.0 Standards. See *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-E, 129 FERC ¶ 61,162, at P 7 (2009).

will issue this notice of proposed rulemaking inviting comment on the revisions and corrections NAESB made in the WEQ Version 003.2 Standards and then take final action on the WEQ Version 003.2 WEQ Standards, which include the revisions made by NAESB in the WEQ Version 003.1 Standards and carried forward as part of the WEQ Version 003.2 Standards. Comments already filed on the revisions made by NAESB in the WEQ Version 003.1 Standards will be given full consideration and need not be replicated in response to this NOPR.

2. Further, as announced in the WEQ Version 003.1 NOPR, we will address separately NAESB's WEQ-023 Modeling Business Practice Standards, which concern technical issues affecting the calculation of Available Transfer Capability for wholesale electric transmission services.<sup>4</sup> We also have issued a separate notice of proposed rulemaking proposing to retire and remove the incorporation by reference of the WEQ-006 Time Error Correction Business Practice Standards.<sup>5</sup> Thus, we are not proposing any actions on those topics here.

## **II. Background**

3. NAESB is a non-profit standards development organization established in late 2001 (as the successor to the Gas Industry Standards Board (GISB), which was established in 1994) and serves as an industry forum for the development of business

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<sup>4</sup> See WEQ Version 003.1 NOPR, 156 FERC ¶ 61,055 at P 42.

<sup>5</sup> *Standards for Business Practices and Communication Protocols for Public Utilities, Notice of Proposed Rulemaking*, 83 FR 51654 (Oct. 12, 2018), 165 FERC ¶ 61,007 (2018).

practice standards and communication protocols for the wholesale and retail natural gas and electricity industry sectors. Since 1995, NAESB, and its predecessor GISB, have been accredited members of the American National Standards Institute (ANSI), complying with ANSI's requirements that its standards reflect a consensus of the affected industries.<sup>6</sup>

4. NAESB's standards include business practices intended to standardize and streamline the transactional processes of the natural gas and electric industries, as well as communication protocols and related standards designed to improve the efficiency of communication within each industry. NAESB supports all three quadrants of the gas and electric industries – wholesale gas, wholesale electric, and retail markets quadrant.<sup>7</sup> All participants in the gas and electric industries are eligible to join NAESB and participate in standards development.

5. NAESB develops its standards under a consensus process so that the standards draw support from a wide range of industry members. NAESB's procedures are designed to ensure that all persons choosing to participate can have input into the development of a

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<sup>6</sup> Prior to the establishment of NAESB in 2001, the Commission's development of business practice standards for the wholesale electric industry was aided by two *ad hoc* industry working groups established during the rulemaking proceeding that resulted in issuance of Order No. 889 and the creation of the OASIS, while GISB's efforts involved the development of business practice standards for the wholesale natural gas industry. Once formally established, NAESB took over the standards development previously handled by GISB and by the electric working groups.

<sup>7</sup> The retail gas quadrant and the retail electric quadrant were combined into the retail markets quadrant. NAESB continues to refer to these working groups as "quadrants" even though there are now only three quadrants.

standard, regardless of whether they are members of NAESB, and each standard NAESB adopts is supported by a consensus of the relevant industry segments. Standards that fail to gain consensus support are not adopted. NAESB's consistent practice has been to submit a report to the Commission after it has made revisions to existing business practice standards or has developed and adopted new business practice standards. NAESB's standards are voluntary standards, which become mandatory for public utilities upon incorporation by reference by the Commission.

6. On July 21, 2016, the Commission issued a notice of proposed rulemaking in Docket No. RM05-5-025 (WEQ Version 003.1 NOPR) that proposed to incorporate by reference Version 003.1 of certain Standards for Business Practices and Communication Protocols for Public Utilities adopted by the Wholesale Electric Quadrant of the North American Energy Standards Board. In response to the WEQ Version 003.1 NOPR, comments were filed by eight commenters.<sup>8</sup> A number of comments expressed general support for the Commission's proposals in the WEQ Version 003.1 NOPR and no comments were received opposing the basic direction of the NOPR, although comments did make suggestions on several specific details of the NOPR proposals. The issue that elicited the most comments was on the treatment of requests for redirects.

7. On December 8, 2017, NAESB filed a reported with the Commission informing the Commission that it had adopted and published the WEQ Version 003.2 Business Practice Standards for Public Utilities. It reports that the WEQ Version 003.2 Standards

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<sup>8</sup> These commenters are identified *infra* note 23.

include newly created standards as well as modifications to existing standards developed through the NAESB standards development or minor correction processes. It further reports that these standards build upon WEQ Version 003.1 Standards, filed with the Commission on October 26, 2015, but not yet the subject of final Commission action. As the WEQ Version 003.2 Standards include all the modifications submitted to the Commission in the WEQ Version 003.1 Standards, NAESB suggests that action on the previously submitted version is unnecessary should the Commission choose.

8. NAESB's WEQ Version 003.2 Business Practice Standards include modifications, reservations, and/or additions to the following set of existing standards:

**WEQ**      **Business Practice Standards**

- 000 Abbreviations, Acronyms, and Definition of Terms
- 001 Open Access Same-Time Information System (OASIS)
- 002 OASIS Standards and Communication Protocols (S&CP)
- 003 OASIS S&CP Data Dictionaries
- 004 Coordinate Interchange
- 006 Manual Time Error Corrections
- 008 Transmission Loading Relief (TLR) – Eastern Interconnection Business Practice Standards
- 013 OASIS Implementation Guide
- 015 Measurement and Verification of Wholesale Electricity Demand Response Business Practice Standards
- 018 Specifications for Wholesale Standard Demand Response Signals Business Practice Standards
- 020 Smart Grid Standards Data Elements Table Business Practice Standards
- 022 Electric Industry Registry (EIR) Business Practice Standards



9. Over the course of years, the OASIS Suite of Standards has been revised several times to support directives contained in Order Nos. 888<sup>9</sup> and 890.<sup>10</sup> The WEQ Version 003.2 Standards include modifications and reservations to existing standards and newly developed standards made to support the short-term preemption process (WEQ-001-25) and the merger of like transmission reservations (WEQ-001-24) prescribed in the OASIS Suite of Standards.<sup>11</sup>

10. The WEQ Version 003.2 Standards also included other changes that were made to support consistency with the North American Electric Reliability Corporation (NERC) Reliability Standards. NAESB made these changes as a result of direct coordination with NERC on issues regarding dynamic tagging and pseudo-ties, and the finalization of the

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<sup>9</sup> *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, 61 FR 21540 (May 10, 1996), FERC Stats. & Regs. ¶ 31,036 (1996) (cross-referenced at 77 FERC ¶ 61,080), *order on reh'g*, Order No. 888-A, 62 FR 12274 (Mar. 14, 1997), FERC Stats. & Regs. ¶ 31,048 (cross-referenced at 78 FERC ¶ 61,220), *order on reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1 (2002).

<sup>10</sup> *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, 118 FERC ¶ 61,119, *order on reh'g*, Order No. 890-A, 121 FERC ¶ 61,297 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228, *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

<sup>11</sup> WEQ-001-25 addresses the preemption of previously queued short-term requests or reservations by a valid competing request. WEQ-001-24 addresses the combination of multiple firm PTP Parent Reservations for which they are the owner into a single reservation.

transition of the industry registry tool from NERC to NAESB. NAESB also made additional changes to seven suites of the WEQ Business Practices to ensure the standards accurately reflect revisions to the NERC Reliability Standards. In addition, NAESB made changes to support market operator functionalities to support the full use of the market operator as a separate role within the EIR, a NAESB managed industry tool, and on electronic tags (e-Tags). NAESB also made changes to support consistency by revising certain Abbreviations, Acronyms, and Definitions of Terms in WEQ-000. Finally, the standards were revised to make minor corrections to six standards.

### **III. Discussion**

11. As discussed below, with certain enumerated exceptions, we propose to incorporate by reference (into the Commission's regulations at 18 CFR 38.1(b) (2018)) the NAESB WEQ Version 003.2 Business Practice Standards.<sup>12</sup> The WEQ Version 003.2 Business Practice Standards will replace the WEQ Version 003 Business Practice Standards currently incorporated by reference into the Commission's regulations. As explained above, comments have already been filed on the NAESB WEQ Version 003.1

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<sup>12</sup> Consistent with our past practice, we do not propose to incorporate by reference into the Commission's regulations the following standards: Standards of Conduct for Electric Transmission Providers (WEQ-009); Contracts Related Standards (WEQ-010); and WEQ/WGQ eTariff Related Standards (WEQ-014). We also do not propose to incorporate by reference at this time the WEQ-023 Modeling Business Practice Standards. We do not propose to incorporate by reference standard WEQ-009 because it contains no substantive standards and merely serves as a placeholder for future standards. We do not propose to incorporate by reference standard WEQ-010 because this standard contains an optional NAESB contract regarding funds transfers and the Commission does not require utilities to use such contracts.

Business Practice Standards and we will fully take those comments into account when we consider our determination on the WEQ Version 003.2 Standards. Thus, parties have no need to replicate the comments on the WEQ Version 003.1 Standards in response to this NOPR. The standards addressed in this NOPR are consistent with the Commission's findings in Order No. 676-H<sup>13</sup> and do not appear to be inconsistent with any Commission directives or findings in other orders.

**A. Revisions and Modifications to Earlier Versions of Standards Made In the WEQ Version 003.2 Standards**

12. As explained above, the WEQ Version 003.2 Business Practice Standards include:

- modifications and reservations to existing standards and newly developed standards to support the short-term preemption process and the merger of like transmission reservations;
- changes to support consistency with NERC Reliability Standards;
- changes to support market operator functionalities;
- changes to support consistency in the use of abbreviations, acronyms, and definitions in WEQ-000; and
- minor corrections to six standards.

13. The Commission specifically invites interested persons to submit comments on all these revisions and changes from prior versions of the WEQ Business Practice Standards and on whether the Commission should incorporate by reference into its regulations, as

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<sup>13</sup> *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-H, 79 FR 56,939 (Sept. 24, 2014), 148 FERC ¶ 61,205, *as modified, errata notice*, 149 FERC ¶ 61,014 (2014), *order on reh'g*, 151 FERC ¶ 61,046 (2015).

enforceable mandatory requirements, the latest version of these standards (i.e., the WEQ Version 003.2 Business Practice Standards).

**B. Treatment of Requests for Redirects**

**1. Background**

14. In *Dynegy Power Marketing, Inc.*,<sup>14</sup> the Commission established its policy on a customer's right to keep its contractual rights to firm transmission service it had reserved while the customer's request for a redirect was "pending" as required in section 22.2 of the *Pro Forma OATT*.<sup>15</sup> In *Dynegy*, the Commission held that "unconditional acceptance" would not terminate a transmission customer's right to its original path while the redirect request still can be preempted by a competing reservation up to the following conditional reservation deadline in section 13.2 of the *Pro Forma OATT*. The Commission clarified that a transmission customer submitting a redirect request does not lose its rights to its original path until the redirect request satisfies all of the following criteria: (1) it is accepted by the transmission provider; (2) it is confirmed by the transmission customer; and (3) it passes the conditional reservation deadline under

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<sup>14</sup> 99 FERC ¶ 61,054 (2002) (*Dynegy*). This policy was retained and clarified in *Entergy Services, Inc.*, 143 FERC ¶ 61,143, at P 25 & n.68 (2013) (*Entergy*).

<sup>15</sup> Section 22.2 states: "[a]ny request by a Transmission Customer to modify Receipt and Delivery Points on a firm basis shall be treated as a new request for service in accordance with Section 17 hereof, except that such Transmission Customer shall not be obligated to pay any additional deposit if the capacity reservation does not exceed the priority for service at the existing firm Receipt and Delivery Points specified."

section 13.2 of the transmission provider's OATT.<sup>16</sup> The Commission's concern was that a redirecting customer whose redirect request had been confirmed under step 2 nonetheless could lose its rights to the original parent path if the transmission provider later preempted the requested redirect in favor of a competing request prior to step 3.<sup>17</sup>

15. In its filing of version 3.0, NAESB proposed WEQ Standards 001-9.5 and 001-10.5. Under these standards, a customer would lose its parent transmission rights when the transmission operator confirmed the redirect request even though the customer would still be at risk for preemption by a competing transmission request. In Order No. 676-H, in consideration of the comments, the Commission declined to incorporate WEQ Version 003.1 Standards 001-9.5 and 001-10.5, stating that the standards are inconsistent with the Commission's redirect policy in *Dynegy*.<sup>18</sup> Additionally, the Commission requested that NAESB revisit WEQ Version 003.1 Standards 001-9.5 and 001-10.5 and any other affected standards. NAESB's revisions contained in the Version 003.1 standards purport to reflect this effort.

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<sup>16</sup> *Dynegy*, 99 FERC ¶ 61,054 at P 9.

<sup>17</sup> This result could occur if the transmission customer does not wish to match the price or term of a competing request of equal or longer duration on the redirect path.

<sup>18</sup> Order No. 676-H, 148 FERC ¶ 61,205 at PP 47, 48.

## 2. WEQ Standards in Versions 003.1 and 003.2

16. Version 003.1 of the WEQ-001-9 business practice standards (repeated again in version 003.2) attempts to implement a standard that is consistent with the Commission's policy on redirects as outlined in *Dynegy*. Proposed Version 3.1 WEQ-001-9.5.4 states

The Transmission Provider shall ensure the Transmission Customer's rights to take firm PTP on the original unconditional Parent Reservation's reserved POR and POD are preserved until such time that the confirmed Redirect on a firm basis has reached its conditional reservation deadline as defined in Section 13.2 of the pro forma tariff.

The preamble to WEQ Version 003.1 Standard 001-9, however, contains a clause that might be interpreted to permit a transmission operator to establish a different policy if it posts that information as a "Transmission Provider specific business practice."<sup>19</sup> WEQ Version 003.1 Standard 001-10.5 completes NAESB's proposed implementation of the Commission's *Dynegy* redirect policy by requiring revisions to Uncommitted Capacity of

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<sup>19</sup> The preamble to WEQ Version 003.1 Standard 001-9 reads: "[t]he Business Practice Standard WEQ-001-9 is defined in order to enhance consistency of the reservation process that applies to Redirects on a firm basis from Parent Reservations that are unconditional, as defined in Section 13.2(iii) of the pro forma tariff. *The Transmission Provider shall specify any reservation process that applies to Redirects on a firm basis from Parent Reservations that are conditional, as defined in Section 13.2(iii) of the pro forma tariff in its Business Practices that are posted in accordance with Business Practice Standard WEQ-001-13.1.4.*" (Emphasis added).

Proposed cross-referenced Standard 001-13.1.4 reads: "[t]he Transmission Provider shall post information related to 1) *any Transmission Provider specific Business Practices*, 2) any waivers or exemptions granted from any of the OASIS requirements or Business Practice Standards, and 3) any other pertinent information related to the conduct of business with the Transmission Provider." (Emphasis added).

the Parent Reservation. WEQ Version 003.1 Standard 001-10.5 requires the Transmission Provider to reduce the amount of the redirected capacity granted for the time period of that Redirect upon confirmation by the Transmission Customer of the request to Redirect on a non-firm basis.

### 3. **Request for Comments in WEQ Version 003.1 NOPR**

17. In the NOPR pertaining to WEQ 003.1, we invited comment on whether the Commission should extend the *Dynegy* policy to both conditional parent reservations for firm transmission service and non-firm transmission service.<sup>20</sup> The Commission explained that the negative effects associated with the potential loss of a customer's parent path when the parent reservation is conditional and subject to competition is arguably less compelling than when the parent reservation is unconditional.<sup>21</sup> To aid the Commission's consideration of this issue, the Commission referenced four redirect issues in the NOPR on which NAESB stakeholders were unable to reach consensus, and invited comments on whether the Commission should adopt regulations governing the business practices to be followed for requests for redirects from conditional parent reservations for short-term firm transmission service and for non-firm transmission service proposed – and invited comments on this proposal. These issues are: (1) the treatment of a firm redirect for transmission service following the preemption of the conditional parent reservation; (2) the circumstances under which a firm redirect for transmission service

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<sup>20</sup> WEQ Version 003.1 NOPR, 156 FERC ¶ 61,055 at P 25.

<sup>21</sup> *Id.* P 24.

may return to the conditional parent reservation; (3) the number of subsequent firm redirects for transmission service that can stem from the original firm redirect for transmission service; and (4) the proper treatment of requests to redirect requests for non-firm transmission service.<sup>22</sup>

**4. Comments on Redirect Filed in Response to WEQ Version 003.1 NOPR**

18. Virtually all the comments received on this subject oppose the option of extending the *Dynegy* redirect policy to either conditional parent reservations for short-term firm transmission service or non-firm transmission service.<sup>23</sup> As a result, most commenters express support for NAESB's proposed redirect standards for unconditional parent reservations.<sup>24</sup> Most commenters did not explicitly support the proposed language provided within the WEQ-001-9 preamble that would also allow transmission providers the option of implementing alternative practices for redirects from conditional

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<sup>22</sup> *Id.* P 25.

<sup>23</sup> Bonneville Power Administration (Bonneville) at 5; Edison Electric Institute (Edison Institute) at 5; Idaho Power Company (Idaho Power) at 2; Southwest Power Pool, Inc. and Midwest Independent System Operator, Inc. (collectively, Joint Commenters) at 6; Open Access Technology International (OATI) at 3; Public Utility District No. 1 of Snohomish County, Washington and the City of Tacoma, Department of Public Utilities, Light Division (collectively, Snohomish/Tacoma) at 1; and Southern Company Services, Inc. (Southern) at 4. California Independent System Operator Corporation was the sole commenter who did not address this issue.

<sup>24</sup> NAESB's redirect standards require a reservation for service to be unconditional before it may be redirected.



reservations.<sup>25</sup> However, some commenters state that they recommend or could support a future NAESB proposal for a separate policy to provide transmission customers with the ability to redirect from conditional parent reservations.<sup>26</sup>

19. Various commenters note that, under the *Dynegy* redirect policy, the transmission provider must hold Available Transfer Capability (ATC) for the original firm reservation on the original path and simultaneously hold ATC on the redirect reservation's path until the redirect reaches the conditional deadline, and, at such time, capacity on the original (parent) path may then be released.<sup>27</sup> Several commenters contend that this allows the transmission customer to hold priority of service options on two or more transmission paths at the same time.<sup>28</sup> Joint Commenters ask the Commission if there may be benefits to revisiting specifics of the *Dynegy/Entergy* orders since the requirement that a redirect's parent passes the conditional reservation deadline sacrifices system efficiency.<sup>29</sup>

20. Several commenters oppose the proposal to extend the *Dynegy* policy beyond an application to unconditional parent reservations. These commenters point out that prior to the conditional reservation deadline, when the parent reservation is still conditional

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<sup>25</sup> Bonneville at 4, 7; Idaho Power at 2; Joint Commenters at 6; OATI at 3; and Southern at 4.

<sup>26</sup> Bonneville at 6; OATI at 4.

<sup>27</sup> OATI at 2-3.

<sup>28</sup> *See, e.g.*, Edison Institute at 7; OATI at 3.

<sup>29</sup> Joint Commenters at 8-9.

and subject to competition, there is no guarantee that firm service will be provided to the transmission customer on either the original transmission path or the requested redirect path since the reservation remains subject to competition until the conditional period expires.<sup>30</sup> Commenters observe that the transmission customer's expectation as to the certainty of service is different in the conditional and unconditional cases.<sup>31</sup> Edison Institute references sections of the Commission's *pro forma* OATT to support its conclusion that a firm capacity reservation under which the transmission customer is already taking service must already exist, and a reservation for service must be unconditional before it may be redirected.<sup>32</sup> Bonneville notes that a customer with a conditional parental service has no reasonable expectation of service, since a later-queued, higher-priority request may preempt or compete with that customer's conditional parent reservation, and since this expectation of service is different from a customer's expectation of service with an unconditional firm reservation, Bonneville argues it is inappropriate to extend the protections afforded by *Dynegy* to unconditional parent reservations.<sup>33</sup>

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<sup>30</sup> See, e.g., Edison Institute at 6; OATI at 3; and Southern at 5.

<sup>31</sup> See, e.g., Bonneville at 5; Edison Institute at 6.

<sup>32</sup> Edison Institute at 5-6.

<sup>33</sup> Bonneville at 4-5.

21. Commenters also contend that there may be many difficulties in administering scenarios with multiple conditional, confirmed reservations consuming more transmission capacity than available, since capacity would be retained on both the parent path and all the redirected paths.<sup>34</sup> Some commenters advise that, if transmission customers are able to redirect from conditional parent reservations, it could result in potentially troublesome administrative, billing, and liability issues.<sup>35</sup>

22. Specifically, Joint Commenters and Southern argue that a transmission customer should only be permitted to redirect transmission service from unconditional parent reservations.<sup>36</sup> However, Edison Institute would also allow individual transmission providers the option to also permit redirects from conditional parent reservations by moving firm capacity to the redirect path upon confirmation.<sup>37</sup> Snohomish/Tacoma suggests that the Commission should either: 1) allow individual transmission providers to craft specific tariff provisions for how redirects from conditional parent reservations will be addressed; or 2) explicitly not apply the *Dynegy* redirect policy, nor any other restriction on redirects from conditional parent reservations.<sup>38</sup> OATI comments that it is

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<sup>34</sup> Southern at 5.

<sup>35</sup> Idaho Power at 2; Southern at 5-6.

<sup>36</sup> Joint Commenters at 5; Southern at 4.

<sup>37</sup> Edison Institute at 4.

<sup>38</sup> Snohomish/Tacoma at 1.

generally not in favor of adopting standards that allow for options to implement transmission provider alternative practices to the NAESB standards.<sup>39</sup>

23. OATI notes that, while it supports the application of *Dynegy* to redirects on a firm basis where the parent reservation is confirmed but still within the conditional reservation period (prior to the conditional reservation deadline),<sup>40</sup> it could also support a NAESB standard where the capacity held on the conditional firm parent reservation is released immediately and lost on the parent path upon confirmation of the redirect on a firm basis.<sup>41</sup> Other commenters agree and prefer such a NAESB standard for conditional parent reservations.

24. With respect to the Commission implementing a policy where a transmission customer redirects from a conditional parent reservation and the transmission customer loses the rights to the parent reservation once the redirect is confirmed, Bonneville advises that transmission providers will have a straightforward solution that is implementable and that can leverage technical capabilities that currently exist in most of the industry, and will not be burdened with accounting for capacity on multiple conditional paths.<sup>42</sup>

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<sup>39</sup> OATI at 4.

<sup>40</sup> *Id.* at 3.

<sup>41</sup> *Id.* at 4.

<sup>42</sup> Bonneville at 6.

25. As to requests for redirects of requests for non-firm transmission service, all the commenters who addressed this issue oppose extending the *Dynegy* redirect policy to non-firm transmission service. Commenters note that the Commission's *pro forma* OATT only permits transmission customers taking firm point-to-point service to make modifications to points of receipt (POR) and points of delivery (POD), and the OATT does not state transmission customers may modify PORs and PODs on a non-firm basis.<sup>43</sup> OATI states that non-firm (secondary) redirect is the lowest priority service under the OATT and would be subject to preemption or interruption at any time to process either a request to reserve or schedule an existing reservation for either firm or non-firm transmission service.<sup>44</sup>

26. Commenters also believe that a request to redirect firm transmission service on a non-firm basis should not be allowed or should be limited to be from an unconditional, firm parent reservation.<sup>45</sup> Edison Institute advises that the potential for gaming, the impact on queue positions and processing, and the problem of undertaking ATC/AFC (Available Flowgate Capability) calculations, outweigh any potential benefits given that a customer can just as easily submit a new request for non-firm transmission service with a

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<sup>43</sup> Edison Institute at 10; Joint Commenters at 7; Southern at 7.

<sup>44</sup> OATI at 6.

<sup>45</sup> Edison Institute at 11; Idaho Power at 4; OATI at 6.

modified POR and/or POD.<sup>46</sup> Commenters also state that it is unnecessary to adopt changes to these standards, since a customer can relinquish a capacity reservation associated with a non-firm redirect back to the parent reservation.<sup>47</sup>

## 5. Discussion

27. The changes to NAESB WEQ Version 003.1 Standards 001-9.5.4 and 001-10.5 appear consistent with the policy established in *Dynegy*, and we propose to incorporate these standards by reference. We agree with the majority of commenters that the *Dynegy* policy providing for retention of parent rights when the transmission owner confirms a redirect request (but while the request remains conditional) applies only when the parent reservation is firm and unconditional and, hence, should not apply to conditional parent reservations or non-firm transmission service. However, we propose to reject the preamble to WEQ 001-9 because it leaves the implication that a transmission operator could adopt a “Transmission Provider specific Business Practice” that is at odds with the reason for establishing common business practices standards under the NAESB standards development process. We therefore disagree with Edison Institute and Snohomish/Tacoma who argue that the Commission should allow redirects from a conditional parent reservation on a case-by-case basis as antithetical to the NAESB standards development process. The NAESB standards development process is designed to provide for uniform methods of doing business with different transmission providers.

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<sup>46</sup> Edison Institute at 11.

<sup>47</sup> Bonneville at 7; Idaho Power at 4.

Business transactions can involve a number of different transmission providers and establishing a uniform set of procedures and communication protocols help make such transactions more efficient and facilitates the ability to participate in multiple markets.

#### **IV. Notice of Use of Voluntary Consensus Standards**

28. Office of Management and Budget Circular A 119 (section 11) (February 10, 1998) provides that Federal Agencies should publish a request for comment in a NOPR when the agency is seeking to issue or revise a regulation proposing to adopt a voluntary consensus standard or a government-unique standard. In this NOPR, the Commission is proposing to incorporate by reference into its regulations voluntary consensus business practice standards developed by the WEQ of NAESB.

#### **V. Incorporation by Reference**

29. The Office of the Federal Register requires agencies incorporating material by reference to discuss, in the preamble of the proposed rule, the ways that the materials it incorporates by reference are reasonably available to interested parties and how interested parties can obtain the materials.<sup>48</sup> The regulations also require agencies to summarize in the preamble of the proposed rule the material it incorporates by reference. The standards we are proposing to incorporate by reference in this NOPR consist of fourteen suites of business practice standards applicable to public utilities that own, operate, or control facilities used for the transmission of electric energy in interstate commerce or for

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<sup>48</sup> 1 CFR 51.5 (2018). *See Incorporation by Reference*, 79 FR 66267 (Nov. 7, 2014).

the sale of electric energy at wholesale in interstate commerce and any non-public utility that seeks voluntary compliance with jurisdictional transmission tariff reciprocity conditions. These can be summarized as follows:

30. The WEQ-000 Abbreviations, Acronyms, and Definition of Terms Business Practice Standards provide a single location for all abbreviations, acronyms, and defined terms referenced in the WEQ Business Practice Standards. These standards provide common nomenclature for terms within the wholesale electric industry, thereby reducing confusion and opportunities for misinterpretation or misunderstandings among industry participants.

31. The OASIS suite of business practice standards (WEQ-001 Open Access Same-Time Information Systems (OASIS), WEQ-002 OASIS Standards and Communication Protocols, WEQ-003 OASIS Data Dictionary, and WEQ-013 OASIS Implementation Guide) support the FERC posting and reporting requirements that provide information about each transmission provider's performance of its *pro forma* OATT. The OASIS system is used for scheduling transmission on the bulk electric power grid, comprises the computer systems and associated communications facilities that public utilities are required to provide for the purpose of making available to all transmission users comparable interactions, and provides transmission service information and any back-end supporting systems or user procedures that collectively perform the transaction processing functions for handling requests on OASIS. These standards establish business



practices and communication protocols that provide for consistent implementation across OASIS sites as well as consistent methods for posting to OASIS.

32. The WEQ-001 OASIS Business Practice Standards define the general and specific transaction processing requirements and related business processes required for OASIS. The standards detail requirements related to standard terminology for transmission and ancillary services, attribute values defining transmission service class and type, ancillary and other services definitions, OASIS registration procedures, procurement of ancillary and other services, path naming, next hour market service, identical transmission service requests, redirects, resales, transfers, OASIS postings, procedures for addressing ATC or AFC methodology questions, rollover rights, conditional curtailment option reservations, auditing usage of Capacity Benefit Margin, coordination of requests for service across multiple transmission systems, consolidation, preemption and right-of-first refusal process, and Network Integration Transmission Service (NITS) requests.

33. The WEQ-002 OASIS Standards and Communication Protocols Business Practice Standards define the technical standards for OASIS. These standards detail network architecture requirements, information access requirements, OASIS and point-to-point interface requirements, implementation, and NITS interface requirements.

34. The WEQ-003 OASIS Data Dictionary Business Practice Standards define the data element specifications for OASIS.

35. The WEQ-004 Coordinate Interchange Business Practice Standards define the commercial processes necessary to facilitate interchange transactions via Request for

Interchange (RFI) and specify the arrangements and data to be communicated by the entity responsible for authorizing the implementation of such transactions (the entities responsible for balancing load and generation).

36. The WEQ-005 Area Control Error (ACE) Equation Special Cases Business Practice Standards define commercial based requirements regarding the obligations of a balancing authority to manage the difference between scheduled and actual electrical generation within its control area. Each balancing authority manages its ACE in accordance with the NERC Reliability Standards. These standards detail requirements for jointly owned utilities, supplemental regulation service, and load or generation transfer by telemetry.

37. The WEQ-006 Manual Time Error Correction Business Practice Standards define the commercial based procedures to be used for reducing time error to within acceptable limits of true time. These standards have subsequently been marked reserved by NAESB.<sup>49</sup>

38. The WEQ-007 Inadvertent Interchange Payback Business Practice Standards define the methods in which inadvertent energy is paid back, mitigating the potential for financial gain through the misuse of paybacks for inadvertent interchange. Inadvertent interchange is interchange that occurs when a balancing authority cannot fully balance generation and load within its area. The standards allow for the repayment of any

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<sup>49</sup> As explained above, in a separate proceeding (in Docket No. RM05-5-026) the Commission has proposed to retire the standards on manual time error correction. Final action on that proposal remains pending.

imbalances through bilateral in-kind payback, unilateral in-kind payback, or other methods as agreed to.

39. The WEQ-008 Transmission Loading Relief – Eastern Interconnection Business Practice Standards define the business practices for cutting transmission service during a TLR event. These standards detail requirements for the use of interconnection-wide TLR procedures, interchange transaction priorities for use with interconnection-wide TLR procedures, and the Eastern Interconnection procedure for physical curtailment of interchange transactions.

40. The WEQ-011 Gas/Electric Coordination Business Practice Standards define communication protocols intended to improve coordination between the gas and electric industries in daily operational communications between transportation service providers and gas-fired power plants. The standards include requirements for communicating anticipated power generation fuel for the upcoming day as well as any operating problems that might hinder gas-fired power plants from receiving contractual gas quantities.

41. The WEQ-012 Public Key Infrastructure (PKI) Business Practice Standards establish the cybersecurity framework for parties partaking in transactions via a transmission provider's OASIS or e-Tagging system. The NAESB PKI framework secure wholesale electric market electronic commercial communications via encryption of data and the electronic authentication of parties to a transaction through the use of a digital certificate issued by a NAESB certified certificate authority. The standards define

the requirements for parties utilizing the digital certificates issued by the NAESB certificate authorities.

42. The WEQ-013 OASIS Implementation Guide Business Practice Standards detail the implementation of the OASIS Business Practice Standards. The standards detail requirements related to point-to-point OASIS transaction processing, OASIS template implementation, preemption and right-of-first-refusal processing, NITS application and modification of service processing, and secondary network transmission service.

43. The WEQ-015 Measurement and Verification of Wholesale Electricity Demand Response Business Practice Standards define a common framework for transparency, consistency, and accountability applicable to the measurement and verification of wholesale electric market demand response practices. The standards describe performance evaluation methodology and criteria for the use of equipment, technology, and procedures to quantify the demand reduction value – the measurement of reduced electrical usage by a demand resource.

44. The WEQ-021 Measurement and Verification of Energy Efficiency Products Business Practice Standards define a common framework for transparency, consistency, and accountability applicable to the measurement and verification of wholesale electric market energy efficiency practices. The standards establish energy efficiency measurement and verification criteria and define requirements for energy efficiency resource providers for the measurement and verification of energy efficiency products and services offered in the wholesale electric markets.

45. The WEQ-022 EIR Business Practice Standards define the business requirements for entities utilizing the NAESB managed EIR, a wholesale electric industry tool that serves as the central repository for information needed in the scheduling of transmission through electronic transactions. The standards describe the roles within EIR, registration requirements, and cybersecurity.

46. In addition, NAESB has adopted an additional eight suites of standards that, consistent with our past decisions, we are not proposing to incorporate by reference.<sup>50</sup>

Additionally, as mentioned above, we are addressing NAESB's WEQ-023 ATC Modeling Standards as well NAESB's WEQ-006 Manual Time Error Correction Standards in separate rulemakings.

47. Our regulations provide that copies of the standards incorporated by reference may be obtained from the North American Energy Standards Board, 801 Travis Street, Suite

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<sup>50</sup> The suites of NAESB business practice standards we are not proposing to incorporate by reference in this NOPR are: (1) the WEQ-009 Standards of Conduct for Electric Transmission Providers, which NAESB has now eliminated as they duplicate the Commission's regulations; (2) the WEQ-010 Contracts Related Business Practice Standards that establish model contracts for the wholesale electric industry, and which the Commission has not incorporated as they are not mandatory; (3) the WEQ-014 WEQ/WGQ eTariff Related Business Practice Standards, which provide an implementation guide describing the various mechanisms, data tables, code values/reference tables, and technical specifications used in the submission of electronic tariff filings to the Commission, which the Commission has not incorporated as these submittals are governed by the Commission's eTariff regulations; (4) the WEQ-023 Modeling Business Practice Standards, which the Commission is addressing in a separate rulemaking; and (5) the WEQ-016, WEQ-017, WEQ-018, WEQ-019, and WEQ-020 Business Practice Standards that were developed as part of the Smart Grid implementation and which the Commission adopted as non-mandatory guidance in 18 CFR 2.27 (2018). *See* Order No. 676-H, 148 FERC ¶ 61,205.

1675, Houston, TX 77002, Phone: (713) 356-0060. NAESB's Web site is located at <http://www.naesb.org/>. Copies of the standards may be inspected at the Federal Energy Regulatory Commission, Public Reference and Files Maintenance Branch, 888 First Street, NE, Washington, DC 20426, Phone: (202) 502-8371, <http://www.ferc.gov>.<sup>51</sup>

48. NAESB is a private consensus standards developer that develops voluntary wholesale and retail standards related to the energy industry. The procedures used by NAESB make its standards reasonably available to those affected by the Commission regulations, which generally is comprised of entities that have the means to acquire the information they need to effectively participate in Commission proceedings.<sup>52</sup> NAESB provides a free electronic read-only version of the standards for a three business day period or, in the case of a regulatory comment period, through the end of the comment period.<sup>53</sup> Participants can join NAESB, for an annual membership cost of \$7,500, which entitles them to full participation in NAESB and enables them to obtain these standards at

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<sup>51</sup> 18 CFR 284.12 (2018).

<sup>52</sup> As a private, consensus standards developer, NAESB needs the funds obtained from its membership fees and sales of its standards to finance the organization. The parties affected by these Commission regulations generally are highly sophisticated and have the means to acquire the information they need to effectively participate in Commission proceedings.

<sup>53</sup> Procedures for non-members to evaluate work products before purchasing are available at [https://www.naesb.org/misc/NAESB\\_Nonmember\\_Evaluation.pdf](https://www.naesb.org/misc/NAESB_Nonmember_Evaluation.pdf). See Incorporation by Reference, 79 FR at 66271, n.51 & 53 (Nov. 7, 2014) (citing to NAESB's procedure of providing "no-cost, no-print electronic access," NAESB Comment at 1, <http://www.regulations.gov/#!documentDetail;D=OFR-2013-0001-0023>).

no additional cost.<sup>54</sup> Non-members may obtain a complete set of Standards Manuals, Booklets, and Contracts on CD for \$2,000 and the Individual Standards Manual or Booklets for each standard by email for \$250 per manual or booklet.<sup>55</sup> In addition, NAESB considers requests for waivers of the charges on a case by case basis based on need.

## **VI. Information Collection Statement**

49. The collection of information contained in this proposed rule is subject to review by the Office of Management and Budget (OMB) under section 3507(d) of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(d).<sup>56</sup> OMB's regulations require approval of certain information collection requirements imposed by agency rules.<sup>57</sup> Upon approval of a collection(s) of information, OMB will assign an OMB control number and an expiration date. Respondents subject to the filing requirements of this rule will not be penalized for failing to respond to these collections of information unless the collections of information display a valid OMB control number.

50. The Commission solicits comments on the Commission's need for this information, whether the information will have practical utility, the accuracy of the

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<sup>54</sup> North American Energy Standards Board Membership Application, <https://www.naesb.org/pdf4/naesbapp.pdf>.

<sup>55</sup> NAESB Materials Order Form, <https://www.naesb.org/pdf/ordrform.pdf>.

<sup>56</sup> 44 U.S.C. 3507(d).

<sup>57</sup> 5 CFR 1320.11 (2018).

provided burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods for minimizing respondents' burden, including the use of automated information techniques.

51. The following estimates for burden and cost<sup>58</sup> are based on the projected costs for the industry to implement the new and revised business practice standards adopted by NAESB and proposed to be incorporated by reference in this NOPR.

<b>Revisions in NOPR in RM05-5-027</b>					
	<b>No. of Respondents (1)</b>	<b>Annual No. of Responses Per Respondent (2)</b>	<b>Total No. of Responses (1)*(2)=(3)</b>	<b>Average Burden (Hrs.) &amp; Cost (\$) Per Response (4)</b>	<b>Total Annual Burden Hrs. &amp; Total Annual Cost (\$) (3)*(4)=(5)</b>
FERC-516E <sup>59</sup> , <sup>60</sup> (tariff filing)	165	1	165	6 hrs.; \$474	990 hrs.; \$78,210

<sup>58</sup> The Commission staff estimates that industry is similarly situated in terms of hourly cost (for wages plus benefits). Based on the Commission's FY (Fiscal Year) 2018 average cost (for wages plus benefits), \$79.00/hour is used.

<sup>59</sup> This burden category is intended for FERC-516, the Commission's identifier that corresponds to OMB Control No. 1902-0096 (Electric Rate Schedules and Tariff Filings). However, another unrelated item is pending OMB review using this OMB Control No. and only one item per OMB Control No. may be pending at a time. Therefore, to ensure timely submission, Commission staff is using FERC-516E (OMB Control No. 1902-0290), a temporary collection number.

<sup>60</sup> These information collection requirements are one-time burden estimates. After implementation in Year 1, the revision proposed in this NOPR would be complete.



FERC-717 (compliance with standards) <sup>61</sup>	165	1	165	30 hrs.; <sup>62</sup> \$2,370	4,950 hrs.; \$391,050
<b>TOTAL</b>			330		5,940 hrs.; \$469,260

The one-time burden for the FERC-516E information collection will be averaged over three years:

- $990 \text{ hours} \div 3 = 330 \text{ hours/year}$  over three years
- The number of one-time responses for the FERC-725B information collection is also averaged over three years:  $165 \text{ responses} \div 3 = 55 \text{ responses/year}$

Costs to Comply with Paperwork Requirements:

The estimated annual costs are as follows:

- FERC-516E:  $55 \text{ entities} * 1 \text{ response/entity} * (6 \text{ hours/response} * \$79/\text{hour}) = \$26,070.$
- FERC-717:  $165 \text{ entities} * 1 \text{ response/entity} * (30 \text{ hours/response} * \$79/\text{hour}) = \$391,050.$

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<sup>61</sup> FERC-717 is the Commission's identifier that corresponds to OMB control no. 1902-0173 that identifies the information collection associated with Standards for Business Practices and Communication Protocols for Public Utilities.

<sup>62</sup> The 30-hour estimate was developed in Docket No. RM05-5-013, when the Commission prepared its estimate of the scope of work involved in transitioning to the NAESB Version 002.1 Business Practice Standards. *See* Order No. 676-E, 129 FERC ¶ 61,162 at P 134. We have retained the same estimate here, because the scope of the tasks involved in the transition to Version 003.2 of the Business Practice Standards is very similar to that for the transition to the Version 003 Standards.

Titles: Electric Rate Schedule Filing (FERC-516E); Open Access Same Time Information System and Standards for Business Practices and Communication Protocols for Public Utilities (FERC-717).

Action: Proposed collection.

OMB Control Nos.: 1902-0290 (FERC-516E); 1902-0173 (FERC-717).

Respondents: Business or other for profit (Public Utilities – Generally not applicable to small businesses).

Frequency of Responses: FERC-516E - One-time implementation (business procedures, capital/start-up); FERC-717 – ongoing compliance filings.

52. Necessity of the Information: This proposed rule, if implemented would upgrade the Commission's current business practice and communication standards and protocols modifications to support compliance with requirements established by the Commission in Order Nos. 890, 890-A, 890-B, and 890-C, as well as modifications to the OASIS-related standards to support Order Nos. 676, 676-A, 676-E, and 717 and would make additional revisions for clarity and consistency.

53. Internal Review: The Commission has reviewed the revised business practice standards and has made a preliminary determination that the proposed revisions that we propose here to incorporate by reference are both necessary and useful. In addition, the Commission has assured itself, by means of its internal review, that there is specific, objective support for the burden estimate associated with the information requirements.

54. Interested persons may obtain information on the reporting requirements by contacting the Federal Energy Regulatory Commission, Office of the Executive Director, 888 First Street, NE, Washington, DC 20426 [Attn: Ellen Brown, e-mail: DataClearance@ferc.gov, phone: (202) 502-8663, fax: (202) 273-0873].

55. Comments concerning the information collections proposed in this NOPR and the associated burden estimates should be sent to the Commission at this docket and by e-mail to the Office of Management and Budget, Office of Information and Regulatory Affairs [Attention: Desk Officer for the Federal Energy Regulatory Commission]. For security reasons, comments should be sent by e-mail to OMB at the following e-mail address: oira\_submission@omb.eop.gov. Please refer to the docket number of this Notice of Proposed Rulemaking (Docket No. RM05-5-27) and OMB Control Nos. 1902-0290 (FERC-516E) and 1902-0173 (FERC-717) in your submission to OMB.

## **VII. Environmental Analysis**

56. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>63</sup> The Commission has categorically excluded certain actions from these requirements as not having a significant effect on the human environment.<sup>64</sup> The actions proposed here fall within categorical exclusions in the Commission's

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<sup>63</sup> *Regulations Implementing the National Environmental Policy Act*, Order No. 486, FERC Stats. & Regs. ¶ 30,783 (1987) (cross-referenced at 41 FERC ¶ 61,284).

<sup>64</sup> 18 CFR 380.4 (2018).

regulations for rules that are clarifying, corrective, or procedural, for information gathering, analysis, and dissemination, and for sales, exchange, and transportation of electric power that requires no construction of facilities.<sup>65</sup> Therefore, an environmental assessment is unnecessary and has not been prepared in this NOPR.

### **VIII. Regulatory Flexibility Act Certification**

57. The Regulatory Flexibility Act of 1980 (RFA)<sup>66</sup> generally requires a description and analysis of proposed rules that will have significant economic impact on a substantial number of small entities. The RFA does not mandate any particular outcome in a rulemaking. It only requires consideration of alternatives that are less burdensome to small entities and an agency explanation of why alternatives were rejected.

58. The Small Business Administration (SBA) size standards for electric utilities is based on the number of employees, including affiliates. Under SBA's standards, some transmission owners will fall under the following category and associated size threshold: electric bulk power transmission and control, at 500 employees.<sup>67</sup>

59. The Commission's estimate for small and large entities is not yet complete. The Commission preliminarily estimates that 72 of the 165 respondents (or ~44 percent) are small. The Commission estimates that the impact on each entity (large and small) is:

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<sup>65</sup> See 18 CFR 380.4(a)(2)(ii); 380.4(a)(5); 380.4(a)(27).

<sup>66</sup> 5 U.S.C. 601-612.

<sup>67</sup> 13 CFR 121.201 (2018), Sector 22 (Utilities), NAICS code 221121 (Electric Bulk Power Transmission and Control).

- Year One: \$474 (one-time cost for tariff filing) + 2,370 (ongoing compliance cost) = \$2,844
- Year Two and Ongoing: \$2,370 (ongoing compliance cost)

These annual estimates are consistent with the paperwork burden of \$2,844/entity used above.<sup>68</sup> The Commission does not consider \$2,844 to be a significant economic impact.

60. Based on the above, the Commission certifies that implementation of the proposed Business Practice Standards will not have a significant impact on a substantial number of small entities. Accordingly, no initial regulatory flexibility analysis is required.

#### **IX. Comment Procedures**

61. The Commission invites interested persons to submit comments on the matters and issues proposed in this notice to be adopted, including any related matters or alternative proposals that commenters may wish to discuss. Comments are due **[INSERT DATE 60 days after publication in the FEDERAL REGISTER]**. Comments must refer to Docket No. RM05-5-027, and must include the commenter's name, the organization they represent, if applicable, and their address in their comments.

62. The Commission encourages comments to be filed electronically via the eFiling link on the Commission's web site at <http://www.ferc.gov>. The Commission accepts most standard word processing formats. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not

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<sup>68</sup> 36 hours/entity (6 hours/entity for tariff filing + 30 hours/entity for compliance with standards) at \$79/hour = \$2,844.

in a scanned format. Commenters filing electronically do not need to make a paper filing.

63. Commenters that are not able to file comments electronically must send an original of their comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

64. All comments will be placed in the Commission's public files and may be viewed, printed, or downloaded remotely as described in the Document Availability section below. Commenters on this proposal are not required to serve copies of their comments on other commenters.

**X. Document Availability**

65. In addition to publishing the full text of this document in the Federal Register, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (<http://www.ferc.gov>) and in the Commission's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street, NE, Room 2A, Washington DC 20426.

66. From the Commission's Home Page on the Internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

67. User assistance is available for eLibrary and the Commission's website during normal business hours from the Commission's Online Support at 202-502-6652 (toll free at 1-866-208-3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or the Public Reference Room at (202) 502-8371, TTY (202)502-8659. E-mail the Public Reference Room at [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

List of subjects in 18 CFR Part 38

Electric power plants, Electric utilities, Incorporation by reference, Reporting and recordkeeping requirements

By direction of the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

In consideration of the foregoing, the Commission proposes to amend Part 38, Chapter I, Title 18, Code of Federal Regulations, as follows.

**PART 38 – STANDARDS FOR PUBLIC UTILITY BUSINESS  
OPERATIONS AND COMMUNICATIONS**

1. The authority citation for Part 38 continues to read as follows:

Authority: 16 U.S.C. 791-825r, 2601-2645; 31 U.S.C. 9701; 42 U.S.C. 7101-7352.

2. Amend § 38.1, by revising paragraph (b) to read as follows:

**§ 38.1 Incorporation by reference of North American Energy Standards Board Wholesale Electric Quadrant standards.**

(b) \* \* \*

(1) WEQ-000, Abbreviations, Acronyms, and Definition of Terms

(Version 003.2, Dec. 8, 2017);

(2) WEQ-001, Open Access Same-Time Information System (OASIS), OASIS

Version 2.2 (Version 003.2, Dec. 8, 2017) with the exception of Standards 001-9

(preamble), 001-14.1.3, 001-15.1.2 and 001-106.2.5);

(3) WEQ-002, Open Access Same-Time Information System (OASIS) Business

Practice Standards and Communication Protocols (S&CP), OASIS Version 2.2

(Version 003.2, Dec. 8, 2017);

(4) WEQ-003, Open Access Same-Time Information System (OASIS) Data

Dictionary Business Practice Standards, OASIS Version 2.2 (Version 003.2, Dec. 8,

2017);

(5) WEQ-004, Coordinate Interchange (Version 003.2, Dec. 8, 2017);



(6) WEQ-005, Area Control Error (ACE) Equation Special Cases

(Version 003.2, Dec. 8, 2017);

(7) (Reserved)

(8) WEQ-007, Inadvertent Interchange Payback (Version 003.2, Dec. 8, 2017);

(9) WEQ-008, Transmission Loading Relief (TLR) – Eastern

Interconnection (Version 003.2, Dec. 8, 2017);

(10) WEQ-011, Gas/Electric Coordination (Version 003.2, Dec. 8, 2017);

(11) WEQ-012, Public Key Infrastructure (PKI) (Version 003.2, Dec. 8, 2017);

(12) WEQ-013, Open Access Same-Time Information System (OASIS)

Implementation Guide, OASIS Version 2.2 (Version 003.2, Dec. 8, 2017);

(13) WEQ-015, Measurement and Verification of Wholesale Electricity Demand

Response (Version 003.2, Dec. 8, 2017);

(14) WEQ-021, Measurement and Verification of Energy Efficiency Products

(Version 003.2, Dec. 8, 2017); and

(15) WEQ-022, Electric Industry Registry Business Practice Standards

(Version 003.2, Dec. 8, 2017).

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Document Content(s)

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