

Summary of Changes to the Structure of the Standards for ATC

This document is intended to explain some of the history of the Drafting Team's efforts, as well as explain how the team came up with the proposed restructuring of the set of Available Transfer Capability (ATC) standards.

Three Approaches to ATC Were Established:

During the early drafting team discussions of "how do people calculate ATC," some consensus was drawn that three fundamental approaches existed for calculating ATC: Rated System Path ATC, Network Response ATC, and Network Response Available Flowgate Capability (AFC). The first version of MOD-001 distributed to the industry for comment:

- Listed those three methods,
- Recognized that the only difference between Rated System Path ATC and Network Response ATC was the calculation of Total Transfer Capability (TTC), and
- Recognized that TTC was an input to the ATC calculation.

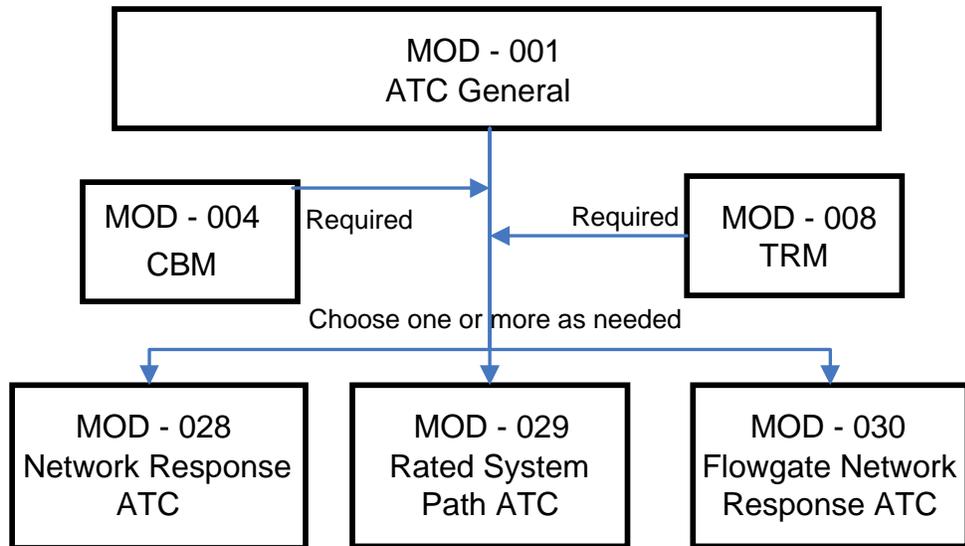
FERC also recognized these three methods in FERC Order 890.

Review of Industry Comments on 1st Draft of MOD-001 and FERC Order 890:

After review of the industry comments on the first draft of proposed changes to MOD-001 and review of FERC Order 890, the drafting team had extensive discussions on the fundamental objectives of the FERC Order and the desires of the industry. There is a significant amount of data involved in calculating ATC and many approaches were discussed regarding 'how' to implement all the necessary changes in the revised NERC standards. The two primary objectives of these substantial changes from the current standards are increased transparency and consistency.

Through all the discussions, one conclusion continued to be reached: that there are three distinctly different approaches to calculating ATC. To clearly focus the industry on those three distinct approaches, the drafting team chose to arrange the ATC-related MOD standards in such a way that each of the three approaches is contained in its own standard. There is one "umbrella" standard for the general requirements in all ATC calculations; and there continue to be separate standards for Capacity Benefit Margin (CBM) and for Transmission Reliability Margin (TRM). Please see the diagram below.

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Conclusion of Drafting Team:

Following is the total set of standards that the drafting team believes can be utilized to address the calculation of ATC. The drafting team recognizes that this is a significant change from the previous expectation of one standard to address ATC and the incorporation of changes into FAC-012/013 to address total transfer capability.

However, with the significant differences in the three ATC methodologies and the strong connection between ATC and TTC, the drafting team believes the proposed approach is a reasonable way to clearly represent the collection of requirements that are involved with these data.

Standard	Description
MOD-001	This is a high level standard on ATC that applies to all methods of calculating ATC and directs the entities on how to approach the standards for each ATC methodology.
MOD-028	This standard describes the requirements associated with calculating ATC using Network Response; including requirements for TTC and Existing Transmission Commitments (ETCs).
MOD-029	This standard describes the requirements associated with calculating ATC using Rated System Path; including requirements for TTC and ETCs
MOD-030	This standard describes the requirements associated with calculating ATC using Flowgate Network Response; including requirements for TTC and ETCs
MOD-004	This standard addresses all requirements associated with calculating CBM.
MOD-008	This standard addresses all requirements associated with calculating TRM.

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Conclusions made regarding other Standards:

MOD-003	Will be retired; NAESB business practices will be written to address
MOD-005	Being considered for retirement, pending further discussion and industry comment
MOD-006	Being considered for retirement, pending further discussion and industry comment
MOD-007	Being considered for retirement, pending further discussion and industry comment
MOD-009	Being considered for retirement, pending further discussion and industry comment
FAC-012	Being considered for retirement, pending further discussion and industry comment
FAC-013	Being considered for retirement, pending further discussion and industry comment