

## Project 2012-05 - ATC Revisions (MOD A)

Consideration of Directives (November 12, 2013)

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10204 – Order No. 729 at P 129</i></p> <p>129. If the Commission determines upon its own review of the data, or upon review of a complaint, that it should investigate the implementation of the available transfer capability methodologies, the Commission will need access to historical data. Accordingly, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to modify the Reliability Standards so as to increase the document retention requirements to a term of five years, in order to be consistent with the enforcement provisions established in Order No. 670.</p>	<p>Consistent with FERC’s directive, proposed MOD-001-2 requires applicable registered entities to retain the implementation and methodology documents required under Requirements R1-R4 for five years. For the components of the calculations and the results of such calculations for all values contained in the implementation and methodology documents, the proposed standard provides a graduated time frame for the calculations of hourly, daily, and monthly values. Evidence of hourly values must be retained for 14 days, daily values for 30 days and monthly values for 60 days. The standard drafting team (“SDT”) concludes there is little to no benefit of requiring entities to retain such detailed supporting data of the calculations for longer periods. The SDT notes that to comply with Commission requirements under Order No. 670,<sup>1</sup> however, entities may be required to retain such supporting data for longer periods.</p>

<sup>1</sup> *Prohibition of Energy Market Manipulation*, Order No. 670, 71 FR 4244 (Jan. 26, 2006), FERC Stats. & Regs. ¶ 31,202, at PP 62- 63 (2006) (citing 28 U.S.C. § 2462 (2000)).

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10206 – Order No. 729 at P 151</i></p> <p>151. Nevertheless, the Commission believes that the lists of required recipients of the implementation documents may be overly prescriptive and could exclude some registered entities with a reliability need to review such information. Accordingly, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to develop a modification to the Reliability Standards pursuant to the ERO’s Reliability Standards development process to require disclosure of the various implementation documents to any registered entity who demonstrates to the ERO a reliability need for such information.</p>	<p>Consistent with the Commission’s directive, Requirement R5 of the proposed standard requires that the implementation documents be made available to any registered entity that demonstrates a reliability need for such information, subject to confidentiality, regulatory, and security requirements.</p>

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10207 – Order No. 729 at P 160</i></p> <p>160. In Order No. 890, the Commission also expressed concern regarding the treatment of reservations with the same point of receipt (generator), but multiple points of delivery (Load), in setting aside existing transmission capacity. The Commission found that such reservations should not be modeled in the existing transmission commitments calculation simultaneously if their combined reserved transmission capacity exceeds the generator’s nameplate capacity at the point of receipt. The Commission required the development of Reliability Standards that lay out clear instructions on how these reservations should be accounted for by the transmission service provider. The proposed Reliability Standards achieve this by requiring transmission service providers to identify in their implementation documents how they have implemented MOD-028-1, MOD-029-1, or MOD-030-2, including the calculation of existing transmission commitments. Thus we will not direct the ERO to develop a modification to address over-generation, as suggested by Entegra. Nonetheless, in developing the modifications to the MOD Reliability Standards directed in this Final Rule, the ERO should consider generator nameplate ratings and transmission line ratings including the comments raised by Entegra and ISO/RTO Council.</p>	<p>The SDT determines that it is not necessary to address this directive in the proposed reliability standard. First, in a recent Notice of Proposed Rulemaking, the Commission proposed to withdraw this directive.<sup>2</sup> Additionally, the SDT concludes that the comments regarding generator nameplate ratings and transmission line ratings do not relate to the reliability issues associated with Available Flowgate Capability (AFC) and Available Transfer Capability (ATC) calculations. The SDT notes that the comments relate to the determination of existing transmission commitments (ETC), which is a component of ATC or AFC that would be disclosed in an entity’s Available Transfer Capability Implementation Document (ATCID) under Requirement R2 of the proposed standard. Specifying the manner in which ETC is determined, which would include generator nameplate ratings and transmission line ratings, where appropriate, is not necessary for reliability purposes.</p> <p>NERC is working with the North American Energy Standards Board (NAESB) to transfer those elements from the MOD A standards that relate to commercial or business practices and are not included in proposed MOD-001-2 into NAESB’s business practice standards. When considering whether to incorporate those elements into its business practice standards, NAESB could consider whether it is appropriate to address this directive.</p>

<sup>2</sup> *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards*, 143 FERC ¶ 61,251 at P 85, Attachment A (2013).

**Project 2012-05 ATC Revisions (MOD A)**

Directive	Consideration of Directive
<p><i>NERC S-Ref 10208 – Order No. 729 at P 162</i></p> <p>162. In Order No. 890, the Commission directed public utilities, working through NERC, to modify MOD-010 through MOD-025 to incorporate a periodic review and modification of various data models. The Commission found that updating and benchmarking was essential to accurately simulate the performance of the transmission grid and to calculate comparable available transfer capability values. On rehearing, the Commission clarified that the models used by the transmission provider to calculate available transfer capability, and not actual available transfer capability values, must be benchmarked. Updating and benchmarking of models to actual events will ensure greater accuracy, which will benefit information provided to and used by adjacent transmission service providers who rely upon such information to plan their systems. Accordingly, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to develop benchmarking and updating requirements to measure modeled available transfer and flowgate capabilities against actual values. Such requirements should specify the frequency for benchmarking and updating the available transfer and flowgate capability values and should require transmission service providers to update their models after any incident that substantially alters system conditions, such as generation outages.</p>	<p>The SDT concludes that the proposed standard is responsive to the Commission’s concern regarding the accuracy of ATC/AFC values as system conditions change. Requirements R1 (part 1.2) and R2 (part 2.1) of the proposed standard require that a Transmission Operator’s (TOP’s) and a Transmission Service Providers (TSP’s) models for determining Total Flowgate Capability (TFC) or Total Transfer Capability (TTC) or AFC/ATC, respectively, account for system topology, including additions and retirements as well as expected system usage, planned outages, Load forecast and expected generation dispatch when such elements impact the determination of TFC, TTC, AFC or ATC. By describing how its methodology accounts for these elements, adjacent systems will be able to effectively model their own transfer or flowgate capabilities. The SDT concludes, however, that because each part of the country has a different sensitivity to these elements and the frequency with which they change, there is no additional reliability benefit in mandating the frequency with which a TOP or TSP must benchmark or update its models. Under Requirement R6 of the proposed standard, registered entities are required to share their data with others, which also increases the amount of up to date information available for the determination of AFC/ATC values. Additionally, under Requirements R5 of the proposed standard, a TSP or a TOP could be asked to clarify its benchmarking or updating practices, if not already set forth in its documented methodology, and share data underlying those practices. As such, the proposed reliability addresses the Commission’s directive toward increasing accuracy by improving transparency.</p>

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10209 – Order No. 729 at P 173</i></p> <p>173. The Commission therefore directs the ERO, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, to develop a modification to MOD-028-1 and MOD-029-1 to specify that base generation schedules used in the calculation of available transfer capability will reflect the modeling of all designated network resources and other resources that are committed to or have the legal obligation to run, as they are expected to run, and to address the effect on available transfer capability of designating and undesignating a network resource.</p>	<p>The SDT determines that it is not necessary to address this directive in the proposed standard. The SDT concludes that this directive does not relate to the reliability issues associated with ATC or AFC determinations. Specifically, the directive relates to the inputs for calculating ETC, which is not relevant to reliability. The SDT concludes that there is no reliability purpose served by mandating how generation and network resources should be treated so long as it is transparent. The SDT notes that under Requirement R2 of the proposed standard, a TSP should describe its practices related to the treatment of base generation schedules and the effect of designating and undesignating a network resource. Under Requirement R5 of the proposed reliability standard, the TSP will be required to respond to requests for clarification of its practices on this issue. The SDT notes that NAESB could consider whether to address this directive from a commercial perspective.</p>
<p><i>NERC S-Ref 10211 – Order No. 729 at P 179</i></p> <p>179. We agree that, in order to be useful, hourly, daily and monthly available transfer capability and available flowgate capability values must be calculated and posted in advance of the relevant time period. Requirement R8 of MOD-001-1 and Requirement R10 of MOD-030-2 require that such posting will occur far enough in advance to meet this need. With respect to Entegra’s request regarding more frequent updates for constrained facilities, we direct the ERO to consider this suggestion through its Reliability Standards development process.</p>	<p>The SDT determines that it is not necessary to address this directive in the proposed standard. In a recent Notice of Proposed Rulemaking, the Commission proposed to withdraw this directive.<sup>3</sup> Additionally, the SDT concludes that the frequency of updates for constrained facilities is not relevant to reliability but relates to commercial access to the constrained paths. The SDT notes, however, that an entity’s ATCID should address this issue. NAESB could consider whether to address this directive from a commercial perspective.</p>

<sup>3</sup> *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards*, 143 FERC ¶ 61,251 at P 85, Attachment A (2013).

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10212 – Order No. 729 at P 179</i></p> <p>179. Further, we agree with Cottonwood regarding unscheduled or unanticipated events. Therefore, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, we direct the ERO to develop modifications to MOD-001-1 and MOD-030-2 to clarify that material changes in system conditions will trigger an update whenever practical. Finally, we clarify that these Reliability Standards shall not be used as a “safe harbor” to avoid other, more stringent reporting or update requirements.</p>	<p>The SDT determines that it is not necessary to address this directive in the proposed standard. The proposed standard is limited to addressing reliability issues associated with AFC/ATC determinations. The need to update due to material changes in system condition is not needed for reliability but serves the purpose of providing the best information to the market. As such, it may be appropriate for NAESB to address this issue in its business practice standards. The SDT notes, however, that an entity’s ATCID could address this issue.</p>
<p><i>NERC S-Ref 10214 – Order No. 729 at P 184</i></p> <p>184. As proposed, MOD-001-1 does not restrict a transmission service provider from double-counting data inputs or assumptions in the calculation of available transfer or flowgate capability. To the extent possible, available transfer or flowgate capability values should reflect actual system conditions. The double-counting of various data inputs and assumptions could cause an understatement of available transfer or flowgate capability values and, thus, poses a risk to the reliability of the Bulk-Power System. We note that, in the Commission’s order accepting the associated NAESB business standards, issued concurrently with this Final Rule in Docket No. RM05-5-013, the Commission directs EPSA to address its concerns regarding the modeling of condition firm service through the NERC Reliability Standards development process. We reaffirm here that modeling of available transfer capability should consider the effects of conditional firm service, including the potential for double-counting. Accordingly, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to develop modifications to MOD-001-1 pursuant to the ERO’s Reliability Standards development process to prevent the double-counting of data inputs and assumptions. In developing these modifications, the ERO should consider the effects of conditional firm service.</p>	<p>The SDT concludes that the proposed standard is responsive to the Commission’s concern. By requiring the documentation and disclosure of the methodologies for determining TTC/TFC, AFC/ATC, Capacity Benefit Margin (CBM) and Transmission Reliability Margin (TRM), registered entities will understand how a neighboring entity calculates these values and, in turn, reduces the reliability risks associated with potentially double-counting any data inputs and assumptions. NAESB may also consider whether the possibility of double-counting needs to be addressed in greater detail in its business practice standards.</p>

**Project 2012-05 ATC Revisions (MOD A)**

Directive	Consideration of Directive
<p><i>NERC S-Ref 10215 – Order No. 729 at P 192</i></p> <p>192. In its filing letter, NERC states that it requires applicable entities to calculate available transfer capability or available flowgate capability on a consistent schedule and for specific time frames. In keeping with the Commission’s goals of consistency and transparency in the calculation of available transfer capability or available flowgate capability, the Commission finds that transmission service providers should use consistent modeling practices over different time frames. If a transmission service provider uses inconsistent modeling practices over different time frames that should be made explicit in its implementation document along with a justification for the inconsistent practices. Accordingly, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to develop a modification to the Reliability Standard pursuant to its Reliability Standards development process requiring transmission service providers to include in their implementation documents any inconsistent modeling practices along with a justification for such inconsistencies.</p>	<p>The SDT concludes that the proposed standard is responsive to the Commission’s concern. By requiring that TSPs and TOPs document their methodologies for determining TTC/TFC, AFC/ATC, CBM and TRM to reflect their current practices, the TSP/TOP must provide information regarding their modeling practices, including whether those modeling practices are used consistently. Additionally, Requirement R5 allows registered entities to request that the TSP/TOP clarify its methodology, which includes requests about the TSP’s/TOP’s modeling practices. Should NAESB see a need for additional detail on modeling practices for purposes of ensuring a non-discriminatory market, it may further consider this directive.</p>

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10216 – Order No. 729 at P 200</i></p> <p>200. With regard to Midwest ISO’s concern, while the terms “assumptions” and “no more limiting” as used in Requirements R6 and R7 could benefit from further granularity, we find these Requirements to be sufficiently clear for purposes of compliance. Likewise, with regard to Entegra’s concern, we agree that transmission service providers should use data and assumptions for their available transfer capability or available flowgate capability and total transfer capability or total flowgate capability calculations that are consistent with those used in the planning of operations and system expansion. Under Requirements R6 and R7, transmission service providers and transmission operators must not overstate assumptions that are used in planning of operations. We believe these requirements are sufficiently clear as written. Nonetheless, we encourage the ERO to consider Midwest ISO’s and Entegra’s comments when developing other modifications to the MOD Reliability Standards pursuant to the ERO’s Reliability Standards development procedure.</p>	<p>The SDT determines that it is not necessary to address this directive in the proposed standard. In a recent Notice of Proposed Rulemaking, the Commission proposed to withdraw this directive.<sup>4</sup> There is no additional reliability benefit to specifically including a requirement that the TOP explain how it uses consistent or less limiting assumptions than their operations planning. This issue may be considered further by NAESB if it is important for commercial purposes.</p>

<sup>4</sup> *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards*, 143 FERC ¶ 61,251 at P 85, Attachment A (2013).

**Project 2012-05 ATC Revisions (MOD A)**

Directive	Consideration of Directive
<p><i>NERC S-Ref 10217 – Order No. 729 at P 220</i></p> <p>220. We agree with NERC that a transmission service provider should consider any information provided in establishing an appropriate level of capacity benefit margin. Similarly, we agree with the Georgia Companies that all relevant information should be considered in establishing an appropriate level of capacity benefit margin, including information provided by customers. However, in determining the appropriate generation capacity import requirement as part of the sum of capacity benefit margin to be requested from the transmission service provider, it would not be appropriate for a load-serving entity or resource planner to rely exclusively on a reserve margin or adequacy requirement established by an entity that is not subject to this Standard. Thus, we hereby adopt the NOPR proposal to direct the ERO to develop a modification to Requirements R3.1 and R.4.1 of MOD-004-1 to require load-serving entities and resource planners to determine generation capability import requirements by reference to one or more relevant studies (loss of load expectation, loss of load probability or deterministic risk analysis) <u>and</u> applicable reserve margin or resource adequacy requirements, as relevant. Such a modification should ensure that a transmission service provider has adequate information to establish the appropriate level of capacity benefit margin.</p>	<p>The SDT determines that it is not necessary to specifically address this directive in the proposed standard. Under the proposed standard, the method of calculating CBM is determined by the TSP and must be described in the TSP’s CBMID. The SDT concludes that no reliability benefit is provided by placing a requirement on Load Serving Entities (LSEs) and Resource Planners (RPs) to determine generation capability import requirements by reference to one or more relevant studies and applicable reserve margin or resource adequacy requirements. This issue may be considered further by NAESB if it is important for commercial purposes.</p>

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10218 – Order No. 729 at P 222</i></p> <p>222. We agree with the Midwest ISO that ISOs, RTOs, and other entities with a wide view of system reliability needs should be able to provide input into determining the total amount of capacity benefit margin required to preserve the reliability of the system. However, Requirements R1.3 and R7 already make clear that determinations of need for generation capability import requirement made by a load serving entity or resource planner are not final. Further, the third bullet of Requirements R5 and R6 explicitly lists reserve margin or resource adequacy requirements established by RTOs and ISOs among the factors to be considered in establishing capacity benefit margin values for available transfer capability paths or flowgates used in available transfer capability or available flowgate capability calculations. In fact, it is for this reason that we uphold the NOPR proposal. Therefore, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to modify MOD-004-1 to clarify the term “manage” in Requirement R1.3. This modification should ensure that the Reliability Standard clarify how the transmission service provider will manage situations where the requested use of capacity benefit margin exceeds the capacity benefit margin available.</p>	<p>The SDT determines that it is not necessary to specifically address this directive in the proposed standard. Under the proposed reliability standard, the method of calculating CBM is determined by the TSP and must be described in the TSP’s CBMID. The Capacity Benefit Margin Implementation Document (CBMID) should describe the manner in which the TSP will manage situations where the requested use of CBM exceeds the CBM available. The SDT concludes that no reliability benefit is provided specifically requiring such a description. This issue may be considered further by NAESB if it is important for commercial purposes.</p>

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10219 – Order No. 729 at P 231</i></p> <p>231. The Commission understands sub-requirement R2.2 of MOD-028-1 to mean that, when calculating total transfer capability for available transfer capability paths, a transmission operator shall use a transmission model that includes relevant data from reliability coordination areas that are not adjacent. While we believe that the provision is reasonably clear, the Commission agrees that the term “and beyond” could be better explained. Accordingly, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to develop a modification sub-requirement R2.2 pursuant to its Reliability Standards development process to clarify the phrase “adjacent and beyond Reliability Coordination areas.”</p>	<p>The SDT determines that it is not necessary to specifically address this directive in the proposed standard. In a recent Notice of Proposed Rulemaking, the Commission proposed to withdraw this directive.<sup>5</sup> Additionally, the proposed standard does not use the phrase “adjacent and beyond Reliability Coordination areas.”</p>
<p><i>NERC S-Ref 10220 - Order No. 729 at P 234</i></p> <p>234. The Commission believes that, as written, the time frames established in Requirement R5 are just and reasonable because they balance the need to reliably operate the grid with the burden on transmission operators to recalculate total transfer capability even when total transfer capability does not often change. Nevertheless, the Commission agrees that a graduated time frame for reposting could be reasonable in some situations. Accordingly, the ERO should consider this suggestion when making future modifications to the Reliability Standards.</p>	<p>The SDT determines that it is not necessary to specifically address this directive in the proposed standard. In a recent Notice of Proposed Rulemaking, the Commission proposed to withdraw this directive.<sup>6</sup> The SDT considered this issue and concludes that there is no reliability benefit in requiring specific time frames for an Area Interchange Methodology user to update their TTC based on an outage. Under the proposed reliability standard, the time frame within which a value is recalculated and reposted based on an outage would be addressed by the TOP in its methodology. This issue may be considered further by NAESB if it is important for commercial purposes.</p>

<sup>5</sup> *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards*, 143 FERC ¶ 61,251 at P 85, Attachment A (2013).

<sup>6</sup> *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards*, 143 FERC ¶ 61,251 at P 85, Attachment A (2013).

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10221 – Order No. 729 at P 237</i></p> <p>237. The Commission agrees that any distribution factor to be used should be clearly stated in the implementation document, and that to facilitate consistent and understandable results the distribution factors used in determining total transfer capability should be applied consistently. Accordingly, pursuant to section 215(d)(5) of the FPA and section 39.5(f) of our regulations, the Commission directs the ERO to develop a modification to MOD-028-1 pursuant to its Reliability Standards development process to address these two concerns.</p>	<p>The SDT concludes that the proposed reliability standard is responsive to the Commission’s concern. First, the proposed reliability standard requires disclosure of the TOP’s method of addressing TTC/TFC and the TSP’s method of determining ATC/AFC. These methods will describe the manner in which TOPs and TSPs use distribution factors. The description must reflect current practices. The proposed standard also allows neighboring TOPs to request that a TOP consider a transmission constraint in its TTC/TFC determination. Users of the Area Interchange or Rated System Path Methodology must describe the process they use to account for requested constraints that have a five percent or greater distribution factor for a transfer between areas in the TTC determination.</p>
<p><i>NERC S-Ref 10222 – Order No. 729 at P 246</i></p> <p>246. Puget Sound’s request is reasonable, and insofar as calculating non-firm available transfer capability using counterschedules as opposed to counterflows achieves substantially equivalent results, using them will not be considered a violation. However, we do not have enough information to determine that the terms are generally interchangeable in all circumstances. The ERO should consider Puget Sound’s concerns on this issue when making future modifications to the Reliability Standards.</p>	<p>The SDT determines that it is not necessary to specifically address this directive in the proposed standard. In a recent Notice of Proposed Rulemaking, the Commission proposed to withdraw this directive.<sup>7</sup> Additionally, the SDT concludes that the issue raised by Puget Sound is outside the scope of the reliability issues associated with ATC/AFC determinations.</p>

<sup>7</sup> *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards*, 143 FERC ¶ 61,251 at P 85, Attachment A (2013).

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10223 – Order No. 729 at P 269</i></p> <p>269. As noted above, the Commission approves the proposal to make these Reliability Standards effective on the first day of the first calendar quarter that is twelve months beyond the date that the Reliability Standards are approved by all applicable regulatory authorities. Although MOD-030-2 defines its effective date with reference to the effective date of MOD-030-1, the Commission finds that this direction is sufficiently clear in the context of the current proceeding. To the extent necessary, we clarify MOD-030-2 shall become effective on the first day of the first calendar quarter that is twelve months beyond the date that the Reliability Standards are approved by all applicable regulatory authorities. The Commission also directs the ERO to make explicit such detail in any future version of this or any other Reliability Standard.</p>	<p>The SDT determines that this directive is no longer relevant. Additionally, in a recent Notice of Proposed Rulemaking, the Commission proposed to withdraw this directive.<sup>8</sup></p>
<p><i>NERC S-Ref 10226 – Order No. 729 at P 304</i></p> <p>304. The Commission believes that the definition of Postback is not fully determinative. NERC should be able to define this term without reference to the Business Practices, another defined term. Accordingly, the Commission adopts its NOPR proposal and directs the ERO to develop a modification to the definition of Postback to eliminate the reference to Business Practices. Although we are sensitive to Puget Sound’s concern that the required Postback component may increase the recordkeeping burden on some entities, in other regions the component may be critical. We disagree that the term’s existence assumes that once a reservation is confirmed on a particular point of reservation or point of receipt combination the impact of the confirmed reservation will always be present in the available transfer capability calculation. However, we would consider suggestions that would allow entities to comply with the requirements as efficiently as possible, such as a regional difference through the ERO’s standards development procedure.</p>	<p>Because the term “Postback” is not used in the proposed standard, it is not necessary to address this directive. The term “Postback” is not used in any other standard. Any necessary revisions to NERC’s Glossary of Terms to remove the term “Postback” will be addressed in a subsequent project modifying the NERC Glossary.</p>

<sup>8</sup> *Electric Reliability Organization Proposal to Retire Requirements in Reliability Standards*, 143 FERC ¶ 61,251 at P 85, Attachment A (2013).

Project 2012-05 ATC Revisions (MOD A)	
Directive	Consideration of Directive
<p><i>NERC S-Ref 10227 – Order No. 729 at P 305</i></p> <p>305. The Commission also adopts its NOPR proposal to direct the ERO to develop a modification to the definition of Business Practices that would remove the reference to regional reliability organizations and replace it with the term Regional Entity. We also direct the ERO to develop a definition of the term Regional Entity to be included in the NERC Glossary.</p>	<p>Because the term “Business Practices” is not used in the proposed standard, it is not necessary to address this directive. Any necessary revisions to NERC’s Glossary of Terms related to the term “Business Practices” will be part of any subsequent project modifying the NERC Glossary</p>
<p><i>NERC S-Ref 10229 – Order No. 729 at P 306</i></p> <p>306. We agree with SMUD and Salt River that the definition of “ATC Path” should not limit a transmission provider’s flexibility to treat multiple parallel interconnections between balancing authorities as a single path, and that available transfer capability paths may comprise multiple, parallel interconnections between Balancing Authorities when such treatment is appropriate to maintain reliability. We also agree that the definition should not reference the Commission’s regulations. The Commission’s regulations are not applicable to all registered entities and are subject to change. We therefore direct the ERO to develop a modification to the definition of “ATC Path” that does not reference the Commission’s regulations.</p>	<p>Because the term “ATC Path” is not used in the proposed standard, it is not necessary to address this directive. The term “ATC Path” is not used in any other standard. Any necessary revisions to NERC’s Glossary of Terms to remove the term “ATC Path” will be part of any subsequent project modifying the NERC Glossary.</p>