

134 FERC ¶ 61,015  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

January 10, 2011

In Reply Refer To:  
North American Electric Reliability  
Corporation  
Docket No. RD10-15-000

North American Electric Reliability Corporation  
Holly A. Hawkins, Attorney  
1120 G Street NW., Suite 990  
Washington, DC 20005-3801

Reference: NERC Petition for Approval of Proposed Modifications to Reliability Standards BAL-002-1; EOP-002-3; FAC-002-1; MOD-021-2; PRC-004-2; and VAR-001-2

Dear Ms. Hawkins:

1. On September 9, 2010, the North American Electric Reliability Corporation (NERC), the Commission-certified electric reliability organization, filed a petition seeking approval of modifications to six Reliability Standards made pursuant to outstanding directives from the Commission's Order No. 693.<sup>1</sup> Specifically, pursuant to section 215(d)(2) of the Federal Power Act, NERC requests approval of modifications contained in Reliability Standards BAL-002-1, EOP-002-3, FAC-002-1, MOD-021-2, PRC-004-2, and VAR-001-2. NERC also explains that two additional Order No. 693 directives related to these Reliability Standards have been resolved without further modification.

2. NERC states that the proposed modifications to the Reliability Standards are the result of NERC's efforts to address the outstanding directives from Order No. 693, beginning with the identification of changes expected to be less controversial. According

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<sup>1</sup> *Mandatory Reliability Standards for the Bulk-Power System*, Order No. 693, FERC Stats. & Regs. ¶ 31,242, *order on reh'g*, Order No. 693-A, 120 FERC ¶ 61,053 (2007).

to NERC, the modifications to the six Reliability Standards address Commission directives set forth in Order No. 693.<sup>2</sup> According to NERC, the six proposed Reliability Standards achieved sufficient quorum and approval in the NERC stakeholder process to move forward for consideration by the NERC Board of Trustees, which approved the six modified Reliability Standards on August 5, 2010.

3. Notice of NERC's filing was issued on September 20, 2010, with interventions and protests due on September 29, 2010. Three parties (Edison Electric Institute, Modesto Irrigation District, and American Municipal Power, Inc.) filed timely Motions to Intervene; those timely unopposed motions to intervene serve to make them parties to this proceeding. None of the intervenors commented on the merits of the proposed Reliability Standards, and no other entity raised any issues related to NERC's filing.

4. The Commission finds that the proposed modifications to the Reliability Standards are just, reasonable, not unduly discriminatory or preferential, and in the public interest, and approves them as mandatory and effective on the respective dates as requested by NERC. The Commission further finds that NERC has satisfied the Commission's outstanding directives listed in footnote 2 of this order.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

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<sup>2</sup> According to NERC, the modifications address the Commission's directives set forth in paragraphs 321, 582, 693, 1300, 1469 (second directive only), 1858 and 1879 of Order No. 693. NERC further states that the directive to modify Reliability Standard EOP-002 as stated in paragraph 577 has been addressed through revisions to IRO-006-4.