

151 FERC ¶ 61,155  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;  
Philip D. Moeller, Cheryl A. LaFleur,  
Tony Clark, and Colette D. Honorable.

ISO New England Inc.

Docket No. ER15-519-000

ORDER ON COMPLIANCE AND REQUEST FOR WAIVERS

(Issued May 19, 2015)

1. On December 1, 2014, ISO New England Inc. (ISO-NE) filed a compliance filing and a request for waivers<sup>1</sup> in response to the compliance requirements of Order No. 676-H.<sup>2</sup> Order No. 676-H revised the Commission's regulations to incorporate by reference, with certain enumerated exceptions, the latest version (Version 003) of the Standards for Business Practices and Communication Protocols for Public Utilities (Business Practice Standards) adopted by the Wholesale Electric Quadrant (WEQ) of the North American Energy Standards Board (NAESB) as mandatory enforceable requirements. ISO-NE is also requesting renewal of waivers previously granted by the Commission, since the conditions warranting those waivers have not changed. ISO-NE is also requesting waiver of new standards approved in Order No. 676-H. In this order, the Commission conditionally accepts ISO-NE's Order No. 676-H compliance filing, effective May 15, 2015, denies the waiver requests, and directs a further compliance filing to be submitted within 60 days of the date of this order.

---

<sup>1</sup> ISO New England Inc., Docket No. ER15-519-000 (filed Dec. 1, 2014)

<sup>2</sup> *Standards for Business Practices and Communication Protocols for Public Utilities*, Order No. 676-H, 79 Fed. Reg. 56,939 (Sept. 24, 2014), FERC Stats. & Regs. ¶ 31,359 (2014), *as modified, errata notice*, 149 FERC ¶ 61,014 (2014), *order on reh'g*, 151 FERC ¶ 61,046 (2015) (Order No. 676-H Rehearing Order).

## I. Background

2. On September 18, 2014, the Commission issued Order No. 676-H, which amends the Commission's regulations under the Federal Power Act (FPA)<sup>3</sup> to incorporate by reference, with certain enumerated exceptions, Version 003 of the Business Practice Standards.<sup>4</sup> In addition, in Order No. 676-H, the Commission listed, as guidance, NAESB's Smart Grid Standards (Standards WEQ-016, WEQ-017, WEQ-018, WEQ-019, and WEQ-020) in Part 2 of the Commission's regulations but did not incorporate these standards by reference into its regulations.<sup>5</sup>

3. The Version 003 Business Practice Standards update earlier versions of the WEQ standards that the Commission previously incorporated by reference into its regulations.<sup>6</sup> These revised standards include modifications to support Order Nos. 890, 890-A, 890-B, and 890-C,<sup>7</sup> including standards to support Network Integration Transmission Service (NITS) on an Open Access Same-Time Information System (OASIS), Service Across Multiple Transmission Systems (SAMTS), standards to support the Commission's policy regarding rollover rights for redirects on a firm basis, standards that incorporate the functionality for Transmission Providers to credit redirect requests with the capacity of the parent reservation, and standards modifications to support consistency across the OASIS-related standards.<sup>8</sup>

---

<sup>3</sup> 16 U.S.C. § 791a (2012).

<sup>4</sup> The specific NAESB standards that the Commission incorporated by reference in Order No. 676-H are WEQ-000, WEQ-001, WEQ-002, WEQ-003, WEQ-004, WEQ-005, WEQ-006, WEQ-007, WEQ-008, WEQ-011, WEQ-012, WEQ-013, WEQ-015, and WEQ-021. *See* Order No. 676-H, FERC Stats. & Regs. ¶ 31,359 at P 18.

<sup>5</sup> *See id.* P 1; Order No. 676-H Rehearing Order, 151 FERC ¶ 61,046 at P 2 (citations omitted).

<sup>6</sup> 18 C.F.R. § 38.2 (2014).

<sup>7</sup> *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241 (2007), *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (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 (2009), *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009). The Version 002 standards also included revisions made in response to Order No. 890.

<sup>8</sup> *See* Order No. 676-H, FERC Stats. & Regs. ¶ 31,359 at P 2.

4. In Order No. 676-H, the Commission explained that public utilities have a number of options with respect to compliance with Order No. 676-H. The Commission explained that public utilities can incorporate the complete set of NAESB standards into their tariffs without modification by submitting a compliance filing containing a single statement acknowledging their obligation to comply with Version 003 Business Practice Standards as specified in Part 38 of the Commission's regulations as updated and revised.<sup>9</sup> Alternatively, public utilities may incorporate the complete set of Version 003 Business Practice Standards into their tariffs, without modification, if they so choose.<sup>10</sup> The Commission also indicated that a public utility can file a request for waivers of specific provisions, along with its reasons supporting the request.<sup>11</sup>

5. The Commission required public utilities to make compliance filings by December 1, 2014, in order to achieve compliance with the incorporated Version 003 Business Practice Standards by February 2, 2015.<sup>12</sup> Subsequently, the February 2, 2015 deadline was extended to May 15, 2015.<sup>13</sup>

6. On April 16, 2015, the Commission issued the Order No. 676-H Rehearing Order, which addressed various requests for rehearing of Order No. 676-H. With respect to entities seeking waivers of certain NAESB WEQ standards, the Commission clarified that

[r]equiring a public utility to file (and the Commission to process) a waiver request for standards that on their face specifically state [that they] are only applicable to . . . entity groups that the potential waiver requestor does not belong to is an unnecessary expenditure of time and effort for both the

---

<sup>9</sup> *See id.* PP 87-88, 95.

<sup>10</sup> *See id.* P 89.

<sup>11</sup> *See id.* P 88.

<sup>12</sup> *See id.* PP 20, 88, 95. The Commission also established a separate 18-month compliance schedule for Standard 002-5.10.3 regarding the implementation of NITS OASIS templates, which are not at issue in this compliance filing.

<sup>13</sup> *Standards for Business Practices and Communication Protocols for Public Utilities*, Notice Granting Limited Time Extension, Docket No. RM05-5-024 (issued Jan. 15, 2015).

potential waiver requestors and the Commission, since the standard itself makes clear to whom it applies.<sup>14</sup>

Thus, the Commission stated that, going forward, any request for waivers of standards that by their terms do not apply to an entity potentially requesting waivers during the time frame the standards are effective would be dismissed as unnecessary.<sup>15</sup>

## II. ISO-NE's Filings

7. In response to the Commission's directive in Order No. 676-H, ISO-NE submitted a compliance filing that incorporates by reference the Version 003 Business Practice Standards.<sup>16</sup> This compliance filing also contains requests for waiver of certain of the Version 003 Business Practice Standards that ISO-NE claims are inapplicable to it, and a request for renewal of waivers previously granted by the Commission to the ISO, as discussed more fully below.

8. ISO-NE states that the regional transmission services that ISO-NE offers under its open access transmission tariff (OATT) differ from the services described in the *pro forma* OATT, namely, its Regional Network Service and Through and Out service is not offered by ISO-NE under ISO-NE's OATT. Specifically, ISO-NE contends that these two services reflect significant deviations from the NITS and Point-to-Point Service in the *pro forma* OATT in that they: (1) do not require transmission customers to acquire advance reservations prior to their use of the Pool Transmission Facilities; (2) do not have "firm" versus "non-firm" service characteristics; and (3) are offered as fixed monthly and fixed hourly services, respectively. Therefore, ISO-NE requests waiver of the several new standards, maintaining that they are not applicable to ISO-NE.<sup>17</sup>

---

<sup>14</sup> Order No. 676-H Rehearing Order, 151 FERC ¶ 61,046 at P 20.

<sup>15</sup> *Id.* P 19.

<sup>16</sup> Revised Schedule 24 to the ISO-NE OATT explicitly identifies the NAESB WEQ Version 003 Standards as incorporated in paragraph 89 of Order No. 676-H (and as updated in Errata Notice issued by the Commission on October 3, 2014), to the extent they are not included in the waiver request submitted with the compliance filing.

<sup>17</sup> (Version 003) NAESB Standards 001-101 through 101.13.4; Standards 001-102 through 102.5.3; Standards 001-103 through 103.9.2; Standards 001-104 through 104.5; Standards 001-105 through 105.6.7.2; Standards 001-106 through 106.2.7; Standards 001-107 through 107.3.1; and Standards 001-INT2.

9. Likewise, ISO-NE further requests waiver of the new standards adopted to support SAMTS, Standards 001-23 through 001-23.3.9, and Standard 001-E, because these standards relate to the *pro forma* OATT services that ISO-NE does not offer under its OATT.

10. ISO-NE also requests continuing waivers of the previously granted WEQ Standards.<sup>18</sup> According to ISO-NE, good cause exists to continue its waiver from Version 003 of these NAESB Standards, because the circumstances under which the Commission previously granted the waiver have not changed.

### **III. Notice and Responsive Pleadings**

11. Notice of ISO-NE's filing in Docket No. ER15-519-000 was published in the *Federal Register*, 79 Fed. Reg. 73,062 (2014), with interventions and protests due on or before December 22, 2014.

12. Motions to Intervene were filed by the New England Power Pool Participants Committee, Northeast Utilities Service Company and Exelon Corporation. The New England Power Pool Participants also filed comments in support of ISO-NE's filing.

### **IV. Discussion**

13. We will conditionally accept the proposed amendments to section II of the ISO-NE Transmission, Markets and Services Tariff as in compliance with Order No. 676-H, and direct ISO-NE to make a further compliance filing, as discussed below.

---

<sup>18</sup> (Version 003) NAESB Standards 001-2.1 through 001-2.14; Standards 001-2.2 through 001-2.2.2; Standards 001-2.3 through 001-2.3.2; Standards 001-4 through 001-4.27; Standards 001-5 through 001-5.6; Standards 001-8 through 001-8.3.2; Standards 001-9 through 001-9.8.1; Standards 001-10 through 001-10.8.7; Standards 001-11 through 001-11.7.1; Standards 001-12 through 001-12.5.2; Standards 001-18 through 001-18.2; Standards 001-19 through 001-19.1.2; Standards 001-20 through 001-20.3; Standards 001-21 through 001-21.5.5; Standards 001-22 through 001-22.2; Standards 001-D; Standards 008-1 through 008-1.7.1.2; Standards 008-2 through 008-2.4.4; Standards 008-3 through 008-3.11.2.8; and Standards 008-A through 008-D.

14. Consistent with the Commission's clarification in the Order No. 676-H Rehearing Order, we deny ISO-NE's request for continued waiver of Version 003 NAESB Standards and of the standards relating to NITS or SAMTS.<sup>19</sup> ISO-NE is a regional transmission organization, so the standards apply to it, and ISO-NE is required to implement the standards once it performs the relevant business practices (even if it currently does not perform those practices). By denying the waivers, we ensure that ISO-NE begins performing the relevant business practices when they become applicable, without the administrative burden of being responsible for submitting a filing to amend its tariff.<sup>20</sup>

15. Consistent with the foregoing determination, ISO-NE must submit a compliance filing within 60 days of the date of this order incorporating by reference all of the Version 003 NAESB standards. No standard should be excluded.<sup>21</sup> Because we are denying the waiver requests, ISO-NE is directed to submit revised tariff records that do not include references to waiver requests of the Version 003 NAESB standards. ISO-NE may file an attachment describing the services it does not offer.

The Commission orders:

(A) ISO-NE's request for waivers are hereby denied, as discussed in the body of this order.

(B) ISO-NE's compliance filing is hereby conditionally accepted, effective May 15, 2015, as discussed in the body of this order.

---

<sup>19</sup> Specifically, Standards 001-101 through 101.13.4; Standards 001-102 through 102.5.3; Standards 001-103 through 103.9.2; Standards 001-104 through 104.5; Standards 001-105 through 105.6.7.2; Standards 001-106 through 106.2.7; Standards 001-107 through 107.3.1; Standards 001-INT2.

<sup>20</sup> If ISO-NE continues to believe that renewed waiver of specific standards is warranted, it may file a subsequent request for a waiver detailing the circumstances that it believes warrant a waiver.

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

(C) ISO-NE is hereby directed to submit a compliance filing within 60 days of the date of this order, as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.