

# **eTariff Standards and Implementation Guide**

## **ISO Group Comments**

### **I. Introduction**

The New York Independent System Operator (NYISO), Midwest ISO, California ISO, Southwest Power Pool, and PJM Interconnection (collectively the ISO Group) support the eTariff concept of making tariff filings in electronic format instead of through multiple paper copies. The environmental and labor savings benefits are obvious. However, NAESB's project scope as defined by the Federal Energy Regulatory Commission (FERC or Commission) for the eTariff Standard was too narrow and did not allow for resolution of the issues addressed below. In addition, due to the ongoing rulemaking docket, FERC staff was also unable to commit to open discussion on a number of occasions. The ISO Group has concerns regarding a concept that includes the additional administrative burden of requiring ISOs and RTOs to provide multiple metadata points with each tariff filing. In this regard, the ISO Group offers an alternate means to accommodate electronic tariff filing.

### **II. Alternate eTariff Filing Mechanism - eLibrary**

FERC staff states that the metadata points are necessary in order for them to develop a relational database for all tariffs and to provide a means to track and post each utility's currently effective tariff(s) in a yet-to-be-developed web-based public viewer. The ISO Group contends that ISOs and RTOs are currently required to post their tariffs on OASIS and should not be subject to the additional posting requirements. Further, FERC already utilizes an eFiling process for many types of regulatory documents and posts such documents in its eLibrary.

If a market participant needs to view a tariff, agreement, tariff filing, or virtually any regulatory document, all one needs to do is to access the ISO or RTO websites. The NYISO,

Midwest ISO, and California ISO each currently posts a consolidated version of its tariffs broken into sections showing all current, proposed and not yet approved changes. The NYISO posts its consolidated version in redline text format while the Midwest ISO and California ISO use a highlighting methodology. With these approaches, market participants are able to make informed business decisions based on existing text and proposed revisions. Prior versions of the tariffs and agreements are stored electronically by the ISOs and RTOs and are available on the website (California ISO) or made available upon request (NYISO and Midwest ISO). Finally, all tariff filings (*i.e.*, cover letters, clean and redline tariff revisions, attachments, affidavits, etc.) are posted for public viewing on the ISO and RTO websites.

Given that all of the previously referenced documents can be readily submitted to FERC in electronic format, the ISO Group contends that FERC should utilize the existing eFiling mechanism to accommodate tariff filings and then utilize eLibrary as the posting site. The ISO Group assumes that the Commission will need to adequately address any concerns related to the 50MB limitation on file size for uploading to eLibrary under the existing proposed Standard.<sup>1</sup> In addition, Order 703 will likely improve this approach and support the stated goal of FERC's Online Project namely in:

....reducing time and costs for customers to make filings and for the Commission to receive and process those filings. In FY 2008, the Commission will continue to improve FERC Online eFiling capabilities to cover additional documents submitted in Commission proceedings –including complex documents, those containing CEII and privileged material and those with fee requirements.<sup>2</sup>

### **III. Issues**

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<sup>1</sup> *Filing Via the Internet*, 72 Fed. Reg. 42330 (July 23, 2007), FERC Stats. & Regs. ¶ 32,621 (2007) at p. 12.  
<sup>2</sup> FY 2009 Congressional Performance Budget Request, Federal Energy Regulatory Commission, February 2008, p. 106.

Although the proposed eTariff Definitions, eTariff Standards and Implementation Guide for Electronic Tariff Filings were reached by consensus, the ISO Group understands that the project's narrow scope was consistent with FERC's direction to NAESB, thereby limiting the meaningful resolution of certain important issues, including such fundamental issues as the number of metadata points required to be entered with each tariff filing. In addition, there was considerable unresolved discussion between FERC staff, electric utilities, ISOs and RTOs regarding the following issues:

- Timing of Baseline Filing Submission
- Granularity of Filed Tariff Sections
- Order 614 Reforms – Headers and Footers

Acceptable resolution of these issues during the FERC rulemaking process is critical to the continued support of the eTariff initiative and implementation of the proposed standards.

#### **A. Timing of Baseline Filing Submission**

FERC staff stated that a clean copy of the tariff (*i.e.*, no redlining) will be required and will be representative of the baseline version of the company's tariff for the initial population of the database. The ISO Group would like confirmation from FERC that outstanding compliance filings and pending Section 205 tariff filings will be processed as expeditiously as possible prior to implementation of eTariff. The already daunting task of tracking all outstanding tariff revisions will be complicated further by the fact that the baseline tariff will be in the form of a section-based tariff without headers and footers. In addition, there needs to be ample time for testing of any new or revised eTariff FERC software to ensure that the formatting of such large initial filings is compatible with the metadata and the yet-to-be-developed eTariff public viewer portal.

## **B. Granularity of Filed Tariff Sections**

The complexity of ISO and RTO tariffs cannot be overstated. Even if one utilizes third party tariff management software, there will need to be a significant investment in time and labor to organize the tariffs into appropriate sections and subsections. For example, the definitions section of NYISO's OATT contains three hundred and sixteen listings, the Midwest ISO's Open Access Transmission and Energy Markets Tariff ("EMT") contains three hundred and twenty-three listings, and the California ISO's 4<sup>th</sup> Replacement (MRTU) Tariff, Appendix A - Master Definitions Supplement, currently contains eight hundred and ninety-eight defined terms, not including acronyms. NYISO's OATT has fifty-one sections and twenty-eight attachments, the Midwest ISO's EMT contains seventy sections and sixty-seven schedules and attachments, and the California ISO's MRTU Tariff currently contains forty-four sections and Appendices A-Y. The NYISO's Market Administration and Control Area Services Tariff consist of a nearly equal number of sections. The California ISO's Transmission Control Agreement contains twenty-six sections, Appendices A and B for each Transmission Owner, and Appendices C-F. The Midwest ISO has thirteen rate schedules under its EMT with over 2000 pages total. Although the proposed breakdown of sections to the "1.1" level as described in the Implementation Guide is manageable, FERC must recognize that providing for the voluntary option of additional granularity will enhance the ability of the NYISO, MISO and California ISO to effectively manage the complexity of their tariffs.. The California ISO will require additional granularity due to the extensive sub-numbering of Sections in its MRTU Tariff. The NYISO and Midwest ISO would suggest that the level of granularity of Sections be made voluntary.

### **C. Order 614 Reforms**

A number of the electric utilities, ISOs and RTOs that participated in the NAESB eTariff process propose that FERC no longer require headers and footers in tariffs and any other jurisdictional documents that must be submitted in clean format for posting in eLibrary in connection with an eTariff filing. That is, the clean copy of changed or new Tariff Records that are submitted for posting in eLibrary as part of an eTariff submittal should not have any mandatory header or footer requirement. On the other hand, Tariff Submitters should have the voluntary option to include any reasonable quantity of information they may wish in headers and footers.

The rationale for this recommendation is as follows: Under the eTariff system, each document that is placed into the eTariff database – including any amendments to such documents – will contain a significant amount of metadata for each Tariff Record within the document. These metadata will include information that until now has been provided in headers and footers, plus additional information. Furthermore, much of the metadata (certainly including the former header and footer information), as well as the text to which the metadata are attached, will be available for viewing via a public viewer on the Commission’s website (and on the ISOs and RTOs own website), and all parties anticipate that the viewer will be able to print metadata for each Tariff Record along with the text of the Tariff Record. Therefore, there should no longer be a need for headers and footers.

### **IV. Conclusion**

Webster’s Ninth New Collegiate Dictionary defines consensus as “group solidarity in sentiment and belief or a general agreement.” On its face, the nearly unanimous vote in favor of the proposed standards and implementation guide implies group solidarity in sentiment and

belief. However, the ISO Group holds that there is no consensus that the eTariff standards as proposed can or will produce the desired benefits. Therefore, while the ISO Group will support the proposed NAESB eTariff standards for the purpose of filing the standards at FERC, the ISO Group urges the NAESB Executive Committee to carefully review the record and include in its report to FERC these comments as well as the comments submitted by other parties so as to inform FERC that the appropriate resolution of all outstanding issues is critical to the continued support of the draft eTariff standards and Implementation Guide. In addition, the ISO Group requests that NAESB include these comments to inform FERC that the existing eFiling and eLibrary mechanisms should be considered as viable options to the continued development of eTariff. Finally, while the ISO Group believes that the scope of the NAESB eTariff project was, per FERC's direction, inappropriately narrow, the aforementioned entities nonetheless appreciate the efforts of the eTariff project staff in fashioning the proposed standards.

Respectfully Submitted,

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