Southern Company Comments – R19007

Subject: NAESB Request for Informal Comments to Support R19007 – Due August 21, 2019

Southern Company supports NAESB’s R19007 recommendation, NERC MOD-001-2 retirement and NAESB WEQ-023 business practice changes, as modified without the suggested alternative language provided. This recommended solution provides the transparency needed for the participating entities in their respected wholesale markets. The requirements that are being retired from the NERC MOD-001-2 standards are needed for inclusion in the NAESB WEQ-023 business practices to maintain the level of transparency that the industry enjoys today. This recommendation provides the needed standards and level of description for the development, usage. and calculations of the TTC/TFC, ATC/AFC, CBM, and TRM represented. These standards specify the requirements needed to describe in detail the methodology of each of these variables. If the standards are less prescriptive than what is being described today in the current NERC and NAESB standards then the industry loses this desired transparency.

The adoption of these requirements into the NAESB standards will help ensure that ATC and AFC determinations across the electric industry continue to be made in a consistent and transparent fashion, consistent with the Federal Energy Regulatory Commission’s (FERC’s) requirements (Orders 890(P193), 729(P2), and 693(P782)) to standardize ATC/AFC calculations to establish a non-discriminatory market for transmission service.

Order 729(P2) states this most elaborately “The calculation of available transfer capability is one of the most critical functions under the open access transmission tariff (OATT) because it determines whether transmission customers can access alternative power supplies.  Improving transparency and consistency of available transfer capability calculation methodologies will eliminate transmission service providers’ wide discretion in calculating available transfer capability and ensure that customers are treated fairly in seeking alternative power supplies.”

Thanks for the opportunity to comment

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