

## In This Issue

### Texas RE News

### Standards Drafting Updates

### NERC Registration and Certification

## 2009 Audit Schedule

### [View the 2009 Audit Schedule](#)

### NERC 2008 Long-Term Assessment

NERC issued its 2008 Long-Term Reliability Assessment on October 23, noting the impact of environmental initiatives and the need for transmission infrastructure as the most important issues that face electric reliability in North America over the next ten years.

The assessment remarks on an improvement in the ERCOT region's long-term resource adequacy outlook, compared to the 2007 outlook, because of (1) additional generating units that have gone into service, (2) additional interconnection agreements, and (3) projections of slower load growth, based on modified economic expectations.

The report states that the continued rapid increase in new wind generation installations may result in congestion on multiple constraints in Texas and add operational issues. The report also notes that the transmission lines being added in the ERCOT region as a result of the Competitive Renewable Zone (CREZ) process, coupled with the new regional nodal market design, should ultimately help to mitigate the congestion and allow more efficient transmission management. **[Download the NERC 2008 Long-Term Reliability Assessment.](#)**

## Texas RE News

### Compliance Tips

1. Understand and comply with all reliability standards and requirements
  - Maintaining reliable and safe operations is the best way to protect the reliability of the BPS
2. Maintain documentation evidencing your compliance with all standards and requirements
  - Registered Entities must provide documentation or evidence of their proper performance and compliance of the relevant standards for compliance audits or spot checks (assume Texas RE has no information other than that which you provide to it)
  - Maintain documentation of all performance by contractors and affiliates (or any entity to which you have delegated duties or responsibilities) so you can provide the required evidence for any audit or spot check
  - Unless otherwise required by Standard, data retention is at least the time frame between audits
3. Promptly self report any compliance violations to Texas RE
  - A self report and submission of a mitigation plan stops the penalty clock in most cases and is considered an "adjustment factor" to reduce any penalty if a violation is verified
  - If the conduct reported does not actually arise to a violation, Texas RE will notify you and you will not be prejudiced by submitting the self report.
4. Use Reliability Standards Audit Worksheets (RSAWS) as a tool to establish compliance expectations

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## Standards Drafting Updates

### **SAR-001-TRE-02-Provision for ERCOT ISO to Participate and Have a Vote**

Texas RE has posted the work product of the Standard Drafting Team for **SAR-001 Provision for ERCOT ISO to Participate and Have a Vote**. This action revised the Texas Regional Entity Standards Development Process to include the ERCOT ISO as a voting member of the Registered Ballot Body and the Reliability Standards Committee compatible with the voting status of the other established market segment membership. These documents may now be viewed on the **Reliability Standards Tracking site**.

The SAR-001 Standard Drafting Team purposely did not define the weight of the ERCOT ISO's vote, using the default "X" in the revised documents instead. The public is encouraged to comment by registering on the site and answering the five posted questions on whether ERCOT ISO should have a vote and the weight of that vote (value of X).

The comment period will open November 1 and continue through November 30. At the conclusion of the comment period, responses to comments will be posted on the tracking site in December, and the public's comments and answers to the questions will be considered in redrafting the documents before presenting them again to the Reliability Standards Committee in January.

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## NERC Registration and Certification

### **NERC Load Serving Entity Registration**

On October 16, the Federal Energy Regulatory Commission (FERC) issued an Order approving NERC's proposed Compliance Registry Criteria, version 5.0, which requires that distribution providers (DPs) be immediately registered as NERC load serving entities (LSEs) for all load directly connected their distribution facilities. FERC acknowledged comments filed by Texas RE, which explained a DP that is not a part of a vertically integrated utility could not perform certain of the LSE Standard's requirements in Texas. However, FERC noted that NERC had committed to work with Texas RE to address this issue through joint registration or other solutions.

Texas RE is required to register LSEs in the ERCOT region by December and seeks prompt input from interested market participants regarding NERC LSE registration. The NERC LSE Registration Working Group (LSERWG) was formed on October 24; interested parties may participate in the first LSERWG meeting on October 31. A listing of LSE Standard Requirements is available on the LSERWG Web page.

- **Visit the NERC LSE Registration Working Group page.**
- **Register for the LSERWG mailing list to receive working materials and meeting notices.**
- **Download the FERC Order.**
- **Locate NERC's Statement of Compliance Registry Criteria.**

Please submit feedback, comments, and suggestions to [information@texasre.org](mailto:information@texasre.org) or contact Lindley Ellisor at (512) 225-7022. If you are receiving e-mail from a distribution list from which you no longer wish to receive communications, please follow this link in order to unsubscribe from this list: <http://lists.ercot.com>. All external links within this newsletter are provided for your convenience. Maintenance is not the responsibility of Texas RE.

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