

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

North American Electric Reliability Corporation)
Docket No. RR09-7-000)

**COMMENTS OF THE EDISON ELECTRIC INSTITUTE, THE AMERICAN PUBLIC
POWER ASSOCIATION, THE NATIONAL RURAL ELECTRIC COOPERATIVE
ASSOCIATION, THE TRANSMISSION ACCESS POLICY STUDY GROUP, THE
ELECTRIC POWER SUPPLY ASSOCIATION AND THE LARGE PUBLIC POWER
COUNCIL**

The Edison Electric Institute (“EEI”), the American Public Power Association (“APPA”), the National Rural Electric Cooperative Association (“NRECA”), the Transmission Access Policy Study Group (“TAPS”), the Electric Power Supply Association (“EPSA”) and the Large Public Power Council (collectively referred to as the “Trade Associations”) submit these comments in support of the motion filed by the North American Electric Reliability Corporation (“NERC”) on May 13, 2010, asking the Federal Energy Regulatory Commission (“FERC” or “Commission”) to issue a Staff preliminary assessment in response to the Three-Year Electric Reliability Organization Performance Assessment Report (“Performance Report”) filed by NERC on July 20, 2009, in this docket pursuant to 18 C.F.R. § 39.3(c) (2009).^[1]

EEI is the association of the nation’s shareholder-owned electric utilities, international affiliates, and industry associates world-wide.

APPA is the national service organization representing the interests of not-for-profit, publicly owned electric utilities throughout the United States.

^[1] The Trade Associations are submitting these comments as an answer to the motion filed by NERC pursuant to 18 C.F.R. § 385.213.

NRECA is the not-for-profit national service organization representing approximately 930 not-for-profit, member-owned rural electric cooperatives. The great majority of these cooperatives are distribution cooperatives that provide retail electric service to over 42 million customer-owners in 47 states. In addition, NRECA members include approximately 66 generation and transmission cooperatives that supply wholesale power to their distribution cooperative owner-members.

TAPS is an informal association of transmission-dependent utilities in more than 30 states, promoting open and non-discriminatory transmission access.

EPSA is the national trade association representing competitive power suppliers, including generators and marketers. These suppliers, who account for 40 percent of the installed generating capacity in the United States, provide reliable and competitively priced electricity from environmentally responsible facilities serving power markets. EPSA seeks to bring the benefits of competition to all power customers.

The Large Public Power Council represents 23 of the largest state-owned and municipal utilities in the nation, reflecting the views of the larger, asset owning members of the public power community.

The Trade Associations' members are users, owners, and operators of the bulk-power system and are subject to the Reliability Standards established by NERC, acting as the Commission-certified Electric Reliability Organization ("ERO"). The Trade Associations and their respective members have been engaged in and provided comments throughout the NERC Three-Year Assessment Process leading to the issuance of the Performance Report.

The Trade Associations agree with NERC that it would be beneficial for Commission Staff to issue a preliminary assessment of the Performance Report. Developing and posting a

preliminary assessment for stakeholder comments would allow interested parties to provide valuable input in response to any concerns or recommendations that Commission Staff may have, thereby proactively addressing concerns that may arise during the Commission's review and avoiding lengthy rehearing requests following the publication of a final order in this proceeding.

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II. COMMENTS

The Performance Assessment process is critical to assess the performance of NERC and the Regional Entities in the initial period following certification of NERC as the Electric Reliability Organization and to serve as a roadmap for future actions. In view of the importance of the Commission's review of the Performance Report to this process, the Trade Associations support NERC's motion requesting that Commission Staff issue a preliminary assessment of the Performance Report and for the Commission to allow stakeholders an opportunity to review and comment on that preliminary assessment before the Commission issues its final order on the Performance Report in this proceeding.

The Trade Associations believe that the publication of the Commission staff's concerns or suggestions in a Preliminary Assessment would provide NERC, the Regional Entities and stakeholders a worthwhile opportunity to respond to such issues and ensure that the Commission has a fully developed and complete record to draw upon when making its final decision in this proceeding.

The Trade Associations' members are the users, owners, and operators of the bulk-power system that will ultimately be affected by any changes made by NERC and the Regional Entities in response to the Commission's order on the Performance Assessment. Therefore, the Trade Associations support NERC's motion to provide a Preliminary Assessment. Providing an opportunity for public comment in response to Commission Staff concerns will allow the affected entities to proactively respond to any Commission Staff proposals. Through such a process, essential issues could be resolved or at least better defined prior to the issuance of a final order.

III. CONCLUSION

Wherefore, the Trade Associations request that the Commission take the foregoing comments into consideration and consider NERC's request to have FERC Staff issue a preliminary assessment on the Performance Report that would be available to stakeholders for review and comment.

Respectfully submitted,

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May 26, 2010

Certificate of Service

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding

Dated at Washington, D.C. this 26th day of May, 2010.

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