

transfer capabilities, system deratings, and so on.

Commission Conclusion

557. We incorporate NERC's proposed change. NERC's proposal recognizes not only the importance of restoration after an outage, but the necessity of coordinated restoration and information-sharing to make all affected Parties aware of the restoration, the corrective actions taken, and the time the restoration occurred, so that all Parties may determine whether the interconnected system has been returned to a normal operating condition.

558. *Article 9.7.2—Interruption of Service* (In the NOPR: Continuity of Service)—Proposed LGIA Article 9.7.2 would have provided that the Transmission Provider may require the Interconnection Customer to reduce or interrupt deliveries of electricity if such delivery of electricity would adversely affect the Transmission Provider's ability to perform activities that are necessary to safely and reliably operate and maintain the Transmission System. It also would require the Transmission Provider to schedule the reduction or interruption to either coincide with the scheduled outage of the Generating Facility or during periods of low demand.

Comments

559. Several commenters, mostly Transmission Providers such as Exelon, MidAmerican, PG&E and Southern, argue that the last sentence of proposed LGIA Article 9.7.2.4 that requires the Transmission Provider to schedule the reduction or interruption to either coincide with the scheduled outage of the Generating Facility or during periods of low demand unreasonably limits the Transmission Provider when it can perform maintenance and repair work. PG&E asserts that the periods of low demand either occur at night or during winter, and those times are not suitable for performing maintenance and repair work because it may jeopardize the safety of maintenance personnel. MidAmerican argues that the impact on both the Transmission Provider and Interconnection Customer should be considered when scheduling maintenance and repair work on the Transmission System. MidAmerican offers this alternative last sentence of proposed LGIA Article 9.7.2.4: "Transmission Provider shall coordinate with the Interconnection Customer using Good Utility Practice to schedule the interruption or reduction during periods of least impact to the

Interconnection Customer and the Transmission Provider."

560. Exelon argues that a separate provision should be added to require the Transmission Provider to notify the Interconnection Customer before the Transmission Provider undertakes any construction, repair or maintenance work on its Transmission System that may require the Interconnection Customer to reduce output from its Generating Facility.

Commission Conclusion

561. In response to MidAmerican and PG&E's concern, we adopt MidAmerican's proposed language because it balances the interests of both the Transmission Provider and the Interconnection Customer. With regard to Exelon's argument, we note that Article 9.7.2.4 of the Final Rule LGIA provides that: "Except during the existence of an Emergency Condition, when the interruption or reduction can be scheduled without advance notification, Transmission Provider shall notify Interconnection Customer in advance regarding the timing of such scheduling and further notify Interconnection Customer of the expected duration."

562. *Article 9.7.3—Under-Frequency and Over-Frequency Conditions* (In the NOPR: Under-Frequency Load Shed Event)—Proposed LGIA Article 9.7.3 stated that the Transmission System is designed to activate a load-shed program automatically in the event of an under-frequency system disturbance. It proposed that an Interconnection Customer shall implement an under-frequency relay set point for the Generating Facility to ensure "ride through"⁸⁸ capability of the Transmission System, to the extent allowed by equipment limitations or warranties.

Comments

563. NERC, MidAmerican, and SoCal Edison state that the scope of Article 9.7.3 should be expanded to include over-frequency conditions as well.

564. NERC, Florida RCC, and TECO Energy oppose relying on equipment limitations or warranties as an excuse for an Interconnection Customer to avoid following Applicable Reliability Council rules. They claim that in a limited number of instances where equipment limitations do exist, the Applicable Reliability Council's rules

⁸⁸ "Ride through" means a Generating Facility staying connected to and synchronized with the Transmission System during system disturbances within a range of over- and under-frequency conditions, in accordance with Good Utility Practice.

permit the Interconnection Customer to propose alternative load shedding procedures. They also express concern that should the Commission retain the language relating to equipment limitations or warranties, load shedding procedures may not be effective to prevent full collapse of an electrical "island," thereby threatening the reliability of the Transmission System.

565. NERC recommends that the Generating Facility's response to both under- and over-frequency conditions be studied and coordinated with the Transmission Provider's Transmission System in accordance with Good Utility Practice.

Commission Conclusion

566. We agree with many commenters that their proposed changes would better protect reliability. Therefore, we revise Article 9.7.3 to refer to Applicable Reliability Council requirements and to include over-frequency conditions. Equipment limitations or warranties should not be an excuse for not following Applicable Reliability Council rules; in case of genuine equipment limitations, Applicable Reliability Council rules permit the Interconnection Customer to offer alternative proposals. As such, the Commission eliminates the phrase "equipment limitations or warranties" in the Final Rule. In addition, the Commission is adopting NERC's proposed language regarding studies to determine the Generating Facility's response to frequency deviations because of its importance in stabilizing the power system during an electrical disturbance.

567. *Article 9.7.4.1—System Protection Facilities* (In the NOPR: Protection and System Quality)—Proposed LGIA Article 9.7.4.1 would have required that the Interconnection Customer, at its expense, install, operate and maintain System Protection Facilities.

Comments

568. NERC states that the title of proposed LGIA Article 9.7.4.1 should be changed from "Protection and System Quality" to "Protection Required by Study" because system quality issues are not addressed here.

Commission Conclusion

569. The title of Final Rule LGIA Article 9.7.4.1 is changed to "System Protection Facilities." This change addresses the NERC comment to eliminate reference to "System Quality."

570. *Article 9.7.4.2—Proposed LGIA Article 9.7.4.2* would have required that