



Western Interconnection Regional Advisory Body

January 3, 2007

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Colorado
Montana
Idaho
Nevada
New Mexico
Oregon
South Dakota
Utah
Washington
Wyoming

John Savage
Chair

The Honorable Joseph T. Kelliher, Chairman
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Via Facsimile

Dear Chairman Kelliher:

The Western Interconnection Regional Advisory Body (WIRAB) submits the attached advice (Advice) to the Federal Energy Regulatory Commission regarding its Notice of Proposed Rulemaking (NOPR) in Docket No. RM06-16-000 on mandatory reliability standards.

The WIRAB Advice was unanimously approved by the 14 representatives of the Governors and Premiers of Alberta, Arizona, British Columbia, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming. In developing the Advice, WIRAB applied the requirement of Section 215(j) that standards must be just, reasonable, not unduly discriminatory or preferential, and in the public interest.

WIRAB supports the Commission's efforts to establish mandatory reliability standards that are clear, unambiguous, and enforceable. As we advised on July 25, 2006, a trial period is an important mechanism to implement new mandatory standards as demonstrated by the experience of the Western Electricity Coordinating Council's Reliability Management System (RMS). Given limited resources by all parties, it is also important to focus attention on the standards most critical to grid reliability.

We understand that the Commission wants to have the new mandatory reliability standards in place by the summer of 2007. We are concerned, however, that the Commission's NOPR proposal approves reliability standards without a trial period and includes a significant number of standards with missing or ambiguous metrics and compliance information. If left unaddressed, these problems may lead to a regulatory quagmire that hinders the original

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purpose of mandatory reliability standards. If the Commission proceeds to approve incomplete standards, WIRAB believes significant discretion should be given to Regional Entities in the enforcement of such standards.

WIRAB also wants to alert the Commission to likely proposed regional standards for the Western Interconnection that are field tested and have adequate metrics. These standards, which are part of the RMS standards, are among those most important for maintaining the reliability of the Western Interconnection. The Commission should be prepared to expeditiously approve these standards.

Finally, we remain concerned that the Commission is proposing to approve 24 standards applicable to Western Interconnection Reliability Centers which do not have assured funding because of the Commission's action denying statutory funding of the Centers.

WIRAB would be pleased to discuss our views on this topic and related matters in the future. We look forward to working towards our mutual objective of a reliable power grid in the Western Interconnection.

Sincerely,

A handwritten signature in black ink that reads "John F. Savage". The signature is written in a cursive, flowing style.

John Savage, Chairman
Western Interconnection Regional Advisory Body

Attachment:

WIRAB Advice

Cc: The Honorable Suedeen Kelly
The Honorable Phillip Moeller
The Honorable Marc Spitzer
The Honorable Jon Wellinghoff
John Moot, General Counsel
Joe McClelland, Director, Division of Reliability