

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

REVISIONS TO ELECTRIC RELIABILITY )      Docket Nos. RM12-6-000  
ORGANIZATION DEFINITION OF BULK )      RM12-7-000  
ELECTRIC SYSTEM

**ELCON'S ANSWER IN SUPPORT OF MOTION FOR AN EXTENSION OF TIME  
AND REQUEST FOR SHORTENED COMMENT PERIOD AND EXPEDITED  
ACTION**

Pursuant to Rule 213 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. § 385.213, and the Commission's notice dated May 24, 2013 in the above-captioned dockets, the Electricity Consumers Resource Council ("ELCON"), a participant in these proceedings, files this answer in support of the North American Electric Reliability Corporation's ("NERC") motion that the Commission grant an extension of time, by order to be issued prior to June 30, 2013, of the effective date of the definition of "Bulk Electric System" ("BES") from July 1, 2013 to July 1, 2014. In conjunction with the extension of the effective date, it is essential that the Commission retain the current implementation plan and transition period that key off of the effective date, so that for example the twenty-four month period would then run from July 1, 2014 to July 1, 2016.

ELCON agrees with NERC that extension of the effective date is necessary to address concerns by numerous parties since the issuance of the Commission's directives in Order No. 773, as clarified in Order No. 773-A.<sup>1</sup> ELCON's particular concerns relate

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<sup>1</sup> *Revisions to Electric Reliability Organization Definition of Bulk Electric System and Rules of Procedure*, Order No. 773, 141 FERC ¶ 61,236 (2012); *order on reh'g*, Order No. 773-A, 143 FERC ¶ 61,053 (2013).

to the Commission's actions directing NERC to: (1) modify the exclusions for radial systems (exclusion E1) and local networks (exclusion E3) so that they do not apply to tie-lines, *i.e.* generator interconnection facilities, for BES generators, and limited the applicability of the exclusion to retail industrial facilities that were served by multiple feeds and not otherwise seemingly looped at any voltage level, even for retail jurisdictional "elements" that are unequivocally "facilities used in the local distribution of electric energy;" and (2) modify the local network exclusion to remove the 100 kV minimum operating voltage to allow systems that include one or more looped configurations connected below 100 kV to be eligible for the local network exclusion.<sup>2</sup>

Large retail industrial entities are facing potential economic setbacks resulting from heightened regulatory uncertainties surrounding the BES definition. The key threshold issue is the failure of federal regulations and the NERC standards development process to establish a rational process for defining "facilities used in the local distribution of electric energy"-- even those used exclusively to serve retail loads. In addition, important procedural issues, such as whether there will be an element by element or facility wide review, remain open. Absent an extension of the effective date, facilities would be required to assess applicability issues and consider whether to make exception requests or other filings based on the current BES provisions or conjecture about how they will be revised. As a consequence, there would be considerable needless waste of the resources of, on the one hand, potentially affected companies and facilities, and on the other hand, NERC and the Commission.

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<sup>2</sup> Order No. 773 at PP 155, 164.

The extension of the effective date also would allow additional time for ELCON and its member companies and others to discuss issues surrounding the local distribution definition and to pursue any resolution of those issues. The extension should not restrict the opportunity for ELCON, its member companies or others to make any appropriate filings, whether in the new "RC" docket or otherwise.

### NOTICES AND COMMUNICATIONS

Notices and communications with regard to these proceedings should be addressed to:

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Respectfully submitted,

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Dated: May 30, 2013

**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 of this proceeding.

Dated at Washington, D.C.:            May 30, 2013

/s/ W. RICHARD BIDSTRUP

W. Richard Bidstrup