

Southeastern Power Administration

NERC Registration and
Compliance



SEPA History

- Section 5, Flood Control Act 1944
- Marketing Area: 10 southeastern states, and southern Illinois
- 22 projects grouped in four systems
- Hartwell, Russell, Thurmond comprise the SEPA Balancing Area



SEPA Balancing Area

- In 1995 Southeastern created a 24/7 operations center
- Balancing Area consists of Hartwell, Russell and Thurmond
- Generation only; SEPA serves no load
- Forms the inter-tie between several utilities

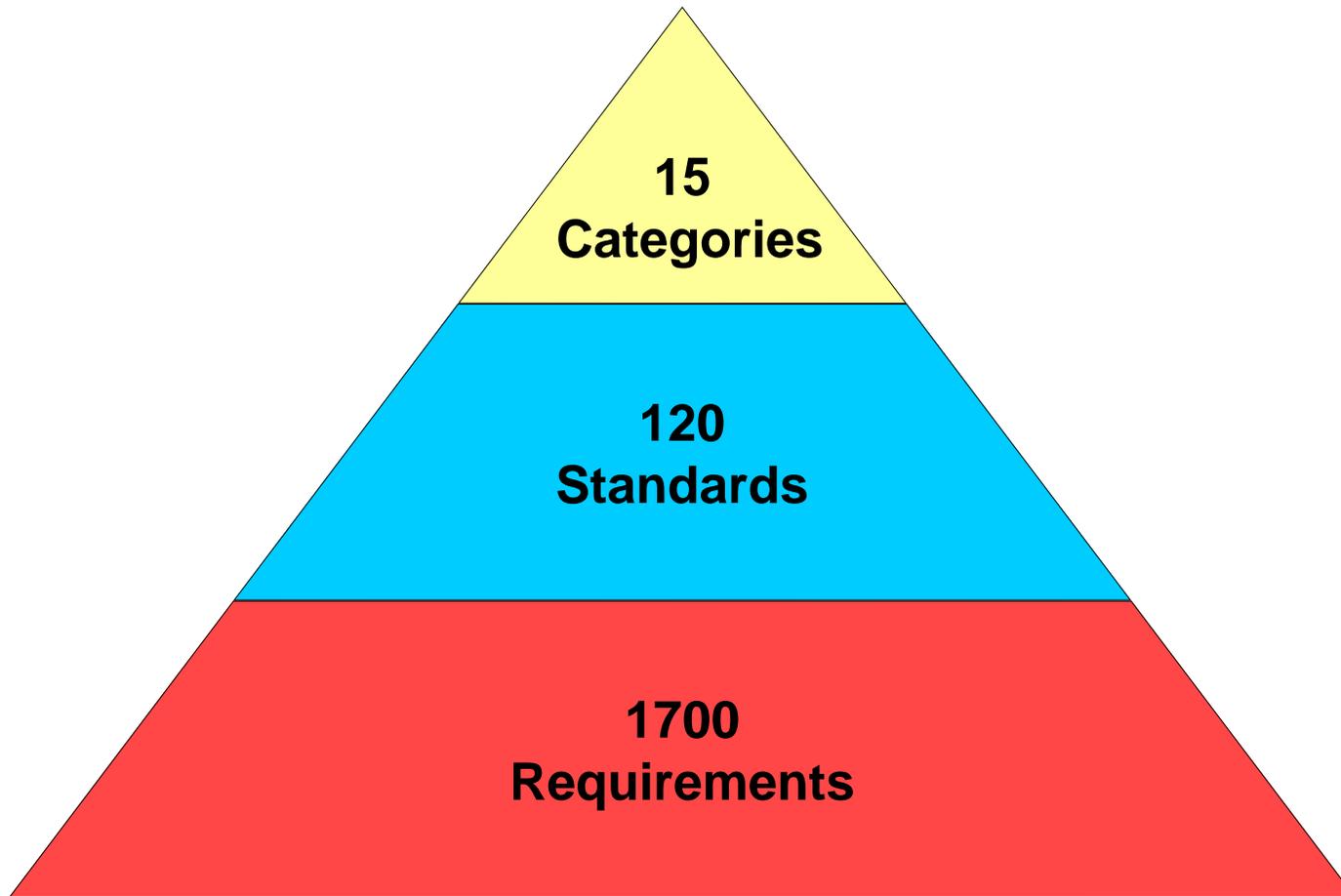


NERC Reliability Standards

- Voluntary criteria and guidelines
- August 2003 blackout
- Became mandatory and enforceable on June 18, 2007
- FERC delegated authority to NERC
- NERC enforcement through regions (SERC)
- Intended to improve reliability of the Bulk Electric System



NERC Reliability Standards





NERC Reliability Standards

- SEPA performs the functions of:
 - Balancing Authority
 - Interchange Authority
 - Purchasing Selling Entity
- Registration appeal for:
 - Transmission Service Provider
 - Transmission Operator
 - Resource Planner



Functional Requirements

- **Balancing Authority (BA)**
 - Integrates resource plans ahead of time, and maintains load-interchange-generation balance within a Balancing Authority Area and supports Interconnection frequency in real time.
- **Purchasing Selling Entity (PSE)**
 - Purchases or sells energy, capacity, and necessary reliability-related services as required.
- **Interchange Authority (IA)**
 - Ensures communication of interchange transactions for reliability evaluation purposes and coordinates implementation of valid and balanced interchange schedules between Balancing Authority Areas.



Functional Requirements

- Transmission Service Provider (TSP)
 - Administers a transmission tariff and provides transmission service to transmission customers under applicable service agreements.
- Transmission Operator (TOP)
 - Ensures the real-time operating reliability of the transmission assets within a Transmission Operator Area.



Functional Requirements

- Resource Planner (RP)
 - Develops a plan (generally one year and beyond) within its portion of a Planning Coordinator Area for the resource adequacy of its specific loads (End-use Customer demand and energy requirements).



Registration Appeal

- Received initial Letter of Notification of registration from NERC in April 2007
- Southeastern appealed to SERC
 - SERC agreed to remove SEPA from the registry as a Transmission Service Provider
 - SERC denied removal as Transmission Operator and Resource Planner, citing historical precedents
- Southeastern appealed to NERC in June '07
 - NERC denied Southeastern appeal



Registration Appeal

- Filed with FERC in October '07
 - Remanded to NERC in February '08
- April 17, 2008 extension
 - FERC granted NERC an extension until June 20, 2008 to provide the additional information which was requested



Registration Appeal

- Resource Planner
 - SERC is asking Southeastern's customers to identify the appropriate Resource Planner
- Transmission Operator
 - SERC has requested facility technical information
 - SERC has proposed a Joint Registration with the Corps



Registration Appeal

- SERC sends collected data and a recommendation to NERC
- NERC responds to FERC
- FERC makes the final decision of appeal