

Mr. Richard Sergel
President and CEO
North American Electric Reliability Corporation
Princeton Forrestal Village
116-390 Village Boulevard
Princeton, New Jersey 08540-5721

June 25, 2007

Dear Rick:

On behalf of the members of the Canadian Electricity Association (“CEA”), I thank you for this opportunity to provide comments with respect to the proposed new rule, Section 1600. According to NERC, this new rule sets forth a process for NERC or a regional entity to issue requests for data or information which is necessary for either organization to fulfill its obligations.

In the request for comments, NERC explains that the legal basis in the United States for this amendment is Section 39.2(d) of the Federal Energy Regulatory Commission (“Commission”) regulations and section 215 of the Federal Power Act. NERC explains that the legal basis is evidenced in the first sentence of the proposed section 1601, which provides that, “[w]ithin the United States, NERC and Regional Entities may request data or information that is necessary to implement Section 215 of the Federal Power Act, as authorized by Section 39.2(d) of the Commission’s regulations.”

In the second sentence of proposed section 1601, NERC is proposing to address data requests in jurisdictions outside the U.S. While CEA members agree that it is important for both NERC and the Regional Entities to be able to obtain relevant data and other information from Canadian users, owners, or operators of the bulk-power system, we are concerned that the proposed language, as drafted, could be interpreted to provide NERC with authority that it may not have.

The second sentence of proposed section 1601 reads as follows: “In other jurisdictions NERC and Regional Entities may request comparable data or information, using such authority as may exist pursuant to these rules and in those other jurisdictions.” For purposes of data requests within the U.S., NERC recognizes that its authority stems from the Commission regulations and the Federal Power Act. Yet, the second sentence of proposed section 1601 suggests that NERC and the Regional Entities may have authority to request comparable data or information from Canadian entities “using such authority as may exist pursuant to these rules...” In addition, the rules spell out procedures for authorizing a NERC request for data or information that does not distinguish between U.S. and Canadian entities (section 1602) and then directs all users, owners, and operators of the bulk power system to comply with such “authorized” requests for data and information (section 1603). Thus, section 1600, as drafted, could be interpreted to create NERC authority to issue requests for data or information to Canadian entities through the rules themselves, rather than appropriate authorization from the relevant Canadian provincial authorities.

CEA appreciates NERC's revisions to Section 1505 to limit the applicability of the language to users, owners, or operators of the bulk-power system within the United States. NERC recognized that that new section, drafted in response to a FERC directive, was overbroad and would have allowed for the release of information provided to NERC by CEA members to FERC. The proposed section 1600, also drafted in response to a FERC directive, is similarly overbroad. As presently drafted, CEA is concerned that users, owners, and operators of the bulk-power system within Canada could be compelled to comply with requests for data and information, even if NERC is not provided with such authority by the relevant province. To clarify that section 1600 applies to Canadian entities only where NERC has received the relevant authority, CEA suggests the following changes to the proposed rule:

Section 1601: In any other jurisdiction, NERC and Regional Entities may request comparable data or information where the authority to request such data or information is provided by the respective jurisdiction.

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Section 1602 (1.1)(iii): a description (by functional class and jurisdiction) of the entities that will be required to provide the data or information ("reporting entities")

Section 1602 (new subsection): 6. The procedures under this section shall apply to requests for data or information from users, owners, or operators of the bulk-power system in jurisdictions other than the United States where the relevant authority is provided under Section 1601.

Section 1603: All users, owners and operators of the bulk power system shall comply with requests for data and information authorized under Sections 1601 and 1602.

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I thank you again for the opportunity to provide comments to this new rule.

Yours respectfully,



Hans R. Konow
 President and Chief Executive Officer
 Canadian Electricity Association