



October 14, 2004

Mr. Paul A. Roman
Manager, Operations Planning
Northeast Power Coordination Council
1515 Broadway
New York, NY 10036-8901

Dear Mr. Roman

Subject: **Comments to the Posted Draft for Review of the NPCC Document C38 –
“Procedure for Operating Reserve Assistance”**

The Independent Electricity Market Operator (IMO) offers the following comments to the currently posted draft of the NPCC Document C38 – **“Procedure for Operating Reserve Assistance”**

General

Does NPCC require NERC approval or is it necessary to notify NERC prior to entering into a reserve sharing arrangement?

The procedure supports the use of reserve sharing to meet synchronized reserve requirements. Is reserve sharing used as synchronized reserve in other Regions and if so which Regions?

Section 2.0 – Operating Procedure

It is IMO's view a provision to suspend reserve sharing for significant events such as high-risk etc should be added to the section.

2.5 *"Areas will inform the NISO of the availability and deliverability of the reserve sharing energy described in this procedure during ordinary real time operational and operational planning communications. Exceptions and restrictions will be noted by all Areas".*

This section should clearly identify that if the full amount of reserve sharing, which is currently established as 100 MW, can't be delivered, it is considered unavailable from that **Area**.

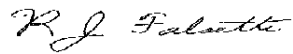
2.6 *"Temporary restrictions in the availability of reserve sharing energy to be shared with other Areas by one Area does not preclude that Area from receiving reserve sharing energy from other Areas. Temporary restrictions in deliverability of reserve sharing energy by one Area to another Area does not preclude that Area from receiving reserve sharing energy from other Areas."*

At what point is reserve sharing suspended? Can one **Area** supply reserve sharing energy to all other **Areas** when they are unable to supply or deliver? IMO believes these need to be articulated in the procedure.

In parallel with this transmittal, these comments will also have been posted on the NPCC Open Process Form at <http://www.npcc.org/>.

Thank you for your attention to these concerns.

Respectfully yours



Ronald J. Falsetti
Independent Electricity Market Operator (IMO)