Actions and Compliance

(f) Unless already done, do the following actions.

(1) Before further flight after May 2, 2011 (the effective date of this AD), inspect the landing gear control bellcrank bolt M6x26 LN9037 for proper installation following DG–Flugzeugbau GmbH Technical note No. 800/40, dated February 14, 2011.

(2) If, during the inspection required by paragraph (f)(1) of this AD, the bolt is found mounted in the wrong direction, before further flight, do the following actions:

(i) Install the landing gear control bellcrank bolt M6x26 LN9037 and its washers and nut correctly following DG–Flugzeugbau GmbH Technical note No. 800/40, dated February 14, 2011; and Section A–A of Undercarriage control circuit Diagram 15, dated November 2004, of DG Flugzeugbau GmbH Maintenance Manual for the Motorglider DG–808C, dated June 2005.

(ii) Inspect the air brake control pushrod (part number (P/N) 6St13) and the wing flap control pushrod (P/N 8St7) for damage. If any pushrod is damaged, before further flight, replace it with a serviceable part following DG–Flugzeugbau GmbH Technical note No. 800/40, dated February 14, 2011.

FAA AD Differences

Note: This AD differs from the MCAI and/or service information as follows: No differences.

Other FAA AD Provisions

(g) The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, Standards Office, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to *Attn:* Jim Rutherford, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4165; fax: (816) 329–4090. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(2) *Airworthy Product:* For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(3) *Reporting Requirements:* For any reporting requirement in this AD, a federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2120–0056. Public reporting for this collection of information is estimated to be approximately 5 minutes per response, including the time for reviewing instructions, completing and reviewing the collection of information. All responses to this collection of information are mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave., SW., Washington, DC 20591, *Attn:* Information Collection Clearance Officer, AES–200.

Related Information

(h) Refer to MCAI European Aviation Safety Agency (EASA) AD No.: 2011–0053–E, dated March 24, 2011, DG–Flugzeugbau GmbH Technical note No. 800/40, dated February 14, 2011; and Section A–A of Undercarriage control circuit Diagram 15, dated November 2004, of DG Flugzeugbau GmbH Maintenance Manual for the Motorglider DG–808C, dated June 2005, for related information.

Material Incorporated by Reference

(i) You must use DG–Flugzeugbau GmbH Technical note No. 800/40, dated February 14, 2011; and Section A–A of Undercarriage control circuit Diagram 15, dated November 2004, of DG Flugzeugbau GmbH Maintenance Manual for the Motorglider DG–808C, dated June 2005, to do the actions required by this AD, unless the AD specifies otherwise.

(1) The Director of the Federal Register approved the incorporation by reference of this service information under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) For service information identified in this AD, contact DG-Flugzeugbau GmbH, Otto-Lilienthal-Weg 2, D 76 646 Bruchsal, Germany; *telephone:* +49 7251 3020 140; *fax:* +49 7251 3020 149; *Internet: http://www.dg-flugzeugbau.de/index-e.html; e-mail: dg@dg-flugzeugbau.de.*

(3) You may review copies of the referenced service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329–4148.

(4) You may also review copies of the service information incorporated by reference for this AD at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call (202) 741–6030, or go to: *http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.*

Issued in Kansas City, Missouri, on April 19, 2011.

Earl Lawrence,

Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2011–10006 Filed 4–25–11; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Part 40

[Docket No. RM10–8–000; Order No. 750]

Electric Reliability Organization Interpretations of Interconnection Reliability Operations and Coordination and Transmission Operations Reliability Standards

AGENCY: Federal Energy Regulatory Commission, Energy.

ACTION: Final rule.

SUMMARY: Pursuant to section 215 of the Federal Power Act, the Federal Energy Regulatory Commission hereby approves the North American Electric Reliability Corporation's (NERC) interpretation of the Commission-approved Reliability Standards, IRO–005–1, Reliability Coordination—Current-Day Operations, Requirement R12, and TOP–005–1, Operational Reliability Information, Requirement R3. Specifically, the interpretation finds that a transmission owner must report a Special Protection System that is operating with only one communication channel in service to the reliability coordinator and neighboring systems upon request, or when the loss of the communication channel will result in the failure of the Special Protection System to operate as designed.

DATES: *Effective Date:* This rule will become effective May 26, 2011.

FOR FURTHER INFORMATION CONTACT: Danny Johnson (Technical Information), Office of Electric Reliability, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. *Telephone:* (202) 502–8892. *danny.johnson@ferc.gov.*

Richard M. Wartchow (Legal Information), Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. *Telephone:* (202) 502–8744.

SUPPLEMENTARY INFORMATION:

135 FERC ¶ 61,041

Before Commissioners: Jon Wellinghoff, Chairman; Marc Spitzer, Philip D. Moeller, John R. Norris, and Cheryl A. LaFleur.

Issued April 21, 2011

1. Pursuant to section 215 of the Federal Power Act, the Federal Energy Regulatory Commission hereby approves the North American Electric Reliability Corporation's (NERC) interpretation of the Commission-

approved Reliability Standards, IRO–005–1, Reliability Coordination—Current-Day Operations, and TOP–005–1, Operational Reliability Information. Specifically, the interpretation finds that a transmission owner must report a Special Protection System that is operating with only one communication channel in service to the reliability coordinator and neighboring systems upon request, or when the loss of the communication channel will result in the failure of the Special Protection System to operate as designed. In the Final Rule, the Commission declines to adopt the proposal from the Notice of Proposed Rulemaking (NOPR) to direct the Electric Reliability Organization (ERO) to develop modifications to the Reliability Standards to require additional reporting and instead approves the interpretation as submitted.[1]

I. Background

A. FPA Section 215 and Mandatory Reliability Standards

2. Section 215 of the FPA requires a Commission-certified ERO to develop mandatory and enforceable Reliability Standards, which are subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by the ERO, subject to Commission oversight, or by the Commission independently.[2]

3. Pursuant to section 215 of the FPA, the Commission established a process to select and certify an ERO[3] and subsequently certified NERC as the ERO.[4] On April 4, 2006, as modified on August 28, 2006, NERC submitted to the Commission a petition seeking approval of 107 proposed Reliability Standards. On March 16, 2007, the Commission issued a Final Rule, Order No. 693, approving 83 of these 107 Reliability Standards and directing other action related to these Reliability Standards.[5] In addition, pursuant to section 215(d)(5) of the FPA, the Commission directed NERC to develop modifications to 56 of the 83 approved Reliability Standards.[6]

4. NERC's Rules of Procedure provide that a person that is "directly and materially affected" by Bulk-Power System reliability may request an interpretation of a Reliability Standard.[7] The ERO's standards process manager will assemble a team with relevant expertise to address the requested interpretation and also form a ballot pool. NERC's Rules provide that, within 45 days, the team will draft an interpretation of the Reliability Standard, with subsequent balloting. If approved by ballot, the interpretation is appended to the Reliability Standard, forwarded to the NERC Board of Trustees (Board) for adoption and filed with the applicable regulatory authority for regulatory approval.

B. IRO–005–1 and TOP–005–1 Reliability Standards

5. In this proceeding, the Commission addresses NERC's interpretation of the IRO–005–1 and TOP–005–1 Reliability Standards, as previously discussed in the NOPR. In Order No. 693, the Commission approved prior versions of the IRO–005–1 and TOP–005–1, with modifications.[8] The Commission directed NERC to modify TOP–005–1 to specify the operational status of Special Protection Systems and power system stabilizers as information that transmission operators are expected to share, unless otherwise agreed.[9] Because these and other intervening changes are not material to the substance of the interpretation, the discussion in this Final Rule is intended to apply equally to the subsequent versions of these standards as appropriate.

1. Reliability Standard IRO–005–1

6. Reliability Standard IRO–005–1 applies to transmission operators, balancing authorities, reliability coordinators and purchasing selling entities. The IRO–005–1 Purpose statement provides: "The Reliability Coordinator must be continuously aware of conditions within its Reliability Coordinator Area and include this information in its reliability assessments. The Reliability Coordinator must monitor Bulk Electric System parameters that may have significant impacts upon the Reliability Coordinator Area and neighboring Reliability Coordinator Areas." Requirement R12 of IRO–005–1 states in relevant part:

> Whenever a Special Protection System that may have an inter-Balancing Authority, or inter-Transmission Operator impact (*e.g.,* could potentially affect transmission flows resulting in a SOL or IROL violation) is armed, the Reliability Coordinator shall be aware of the impact of the operation of that Special Protection System on inter-area flows. The Transmission Operator shall immediately inform the Reliability Coordinator of the status of the Special Protection System including any degradation or potential failure to operate as expected.

2. Reliability Standard TOP–005–1

7. Reliability Standard TOP–005–1 applies to transmission operators, balancing authorities, reliability coordinators and purchasing selling entities, and has the stated purpose of ensuring that reliability entities have the operating data needed to monitor system conditions within their areas.[10]

8. Requirement R3 of TOP–005–1 states in relevant part:

> Upon request, each Balancing Authority and Transmission Operator shall provide to other Balancing Authorities and Transmission Operators with immediate responsibility for operational reliability, the operating data that are necessary to allow these Balancing Authorities and Transmission Operators to perform operational reliability assessments and to coordinate reliable operations. Balancing Authorities and Transmission Operators shall provide the types of data as listed in Attachment 1–TOP–005–0 "Electric System Reliability Data," unless otherwise agreed to by the Balancing Authorities and Transmission Operators with immediate responsibility for operational reliability.

TOP–005–1, Attachment 1 includes "New or degraded special protection systems" in the types of data to be reported.

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[1] *Electric Reliability Organization Interpretations of Interconnection Reliability Operations and Coordination and Transmission Operations Reliability Standards,* Notice of Proposed Rulemaking, 75 FR 80391 (Dec. 22, 2010), 133 FERC ¶ 61,234, at P 27 (2010) (NOPR).

[2] *See* 16 U.S.C. 824o(e)(3).

[3] *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval and Enforcement of Electric Reliability Standards,* Order No. 672, FERC Stats. & Regs. ¶ 31,204, *order on reh'g,* Order No. 672–A, FERC Stats. & Regs. ¶ 31,212 (2006).

[4] *North American Electric Reliability Corp.,* 116 FERC ¶ 61,062, *order on reh'g & compliance,* 117 FERC ¶ 61,126 (2006), *aff'd sub nom. Alcoa, Inc.* v. *FERC,* 564 F.3d 1342 (DC Cir. 2009).

[5] *Mandatory Reliability Standards for the Bulk-Power System,* Order No. 693, FERC Stats. & Regs. ¶ 31,242, *order on reh'g,* Order No. 693–A, 120 FERC ¶ 61,053 (2007).

[6] 16 U.S.C. 824o(d)(5). Section 215(d)(5) provides, "The Commission * * * may order the Electric Reliability Organization to submit to the Commission a proposed reliability standard or a modification to a reliability standard that addresses a specific matter if the Commission considers such a new or modified reliability standard appropriate to carry out this section."

[7] NERC's interpretation process is detailed in its Rules of Procedure, Appendix 3A, Standards Process Manual, at 27–29 (effective Sept. 3, 2010).

[8] Order No. 693, FERC Stats. & Regs. ¶ 31,242 at P 945, 1648.

[9] *Id.* P 1648 (directing revisions to TOP–005–1, Attachment 1). The Commission addressed the most recent versions of the IRO–005–1 and TOP–005–1 Reliability Standards in *Mandatory Reliability Standards for Interconnection Reliability Operating Limits,* Order No. 748, 76 FR, 16240 (Mar. 23, 2011), 134 FERC ¶ 61,213 (2011) (revising responsibilities for interconnection reliability operating limit and system operating limit monitoring), Notice of Proposed Rulemaking, 75 FR 71613 (Nov. 24, 2010), FERC Stats. & Regs. ¶ 32,665, at P 65 (2010).

[10] Order No. 693, FERC Stats. & Regs. ¶ 31,242 at P 1642.

C. Special Protection Systems

9. Also in Order No. 693, the Commission reviewed standards addressing Special Protection System design, operation, and coordination.[11] The Commission declined to approve them because they were "fill in the blank" standards that required regional reliability organizations to develop criteria for each region. Subsequently, NERC has produced a white paper providing background for its Protection System Reliability Standards development effort.[12] After this standards development effort was initiated, the NERC Regional Reliability Standards Working Group identified the Special Protection System standard as one that required regional standard development.[13] The Commission understands that the regional standard development efforts are currently ongoing.

10. The NERC glossary provides definitions of terms used in the Reliability Standards and defines a "Special Protection System" as:

> An automatic protection scheme designed to detect abnormal or predetermined system conditions and take corrective actions other than and/or in addition to the isolation of faulted component to maintain system reliability. Such action may include changes in demand, generation (MW and MVAR), or system configuration to maintain system stability, acceptable voltage or power flows.[14]

11. Special Protection Systems generally are used to address system reliability vulnerabilities in lieu of installing additional Bulk-Power System facilities. For instance, a Special Protection System may be used to control generator output to limit line loading after a contingency, or a Special Protection System may rely on pre-determined operational protocols to reconfigure the system in response to identified system conditions to prevent system instability or cascading outages, and protect other facilities in response to transmission outages.

D. NERC's Interpretation Filing

12. NERC filed its interpretation on November 24, 2009. The interpretation responds to a request from Manitoba Hydro asking NERC to interpret whether a Special Protection System that is operating with only one communication channel in service would be considered "degraded," and thus subject to the reporting requirements found in these standards.[15] NERC's interpretation finds that a transmission owner must report a Special Protection System that is operating with only one communication channel in service to the reliability coordinator and neighboring systems upon request, or when the loss of the communication channel will result in the failure of the Special Protection System to operate as designed.

1. NERC Interpretation Process

13. Manitoba Hydro asked whether a Special Protection System that is operating with only one communication channel in service would be considered "degraded" for the purposes of these standards. Manitoba Hydro stated:

> Unlike other facilities, Special Protection Systems are required by NERC standards to be designed with redundant communication channels, so that if one communication channel fails the [Special Protection System] is able to remain in operation. Requirement R1.3 of NERC Standard PRC–012–0 requires a Regional Reliability Organization with Transmission Owners that use [Special Protection Systems] to have a documented review procedure to ensure that [Special Protection Systems] comply with reliability standards and criteria, including: "requirements to demonstrate that the [Special Protection System] shall be designed so that a single [Special Protection System] component failure, when the [Special Protection System] was intended to operate, does not prevent the interconnected transmission system from meeting the performance requirements in TPL–001–0, TPL–002–0 and TPL–003–0." Accordingly, [Special Protection Systems] are designed to continue to perform their function with only one communication channel in service.

14. Accordingly, Manitoba Hydro asserted that a Special Protection System should not be considered "degraded" if it is operating with one communication channel out of service.

15. Consistent with the NERC Rules of Procedure, NERC assembled a team to respond to the request for interpretations of these two Reliability Standard requirements and presented the proposed interpretations to industry ballot, using a process similar to the process it uses for the development of Reliability Standards.[16] According to NERC, the interpretations were developed and approved by industry stakeholders using the NERC Reliability Standards Development Procedure and approved by the NERC Board.

16. In response to Manitoba Hydro's interpretation request, NERC provided the following:

> TOP–005–1 does not provide, nor does it require, a definition for the term "degraded."
>
> The IRO–005–1 ([Requirement] R12) standard implies that degraded is a condition that will result in a failure of an [Special Protection System] to operate as designed. If the loss of a communication channel will result in the failure of an [Special Protection System] to operate as designed, then the Transmission Operator would be mandated to report that information. On the other hand, if the loss of a communication channel will not result in the failure of the [Special Protection System] to operate as designed, then such a condition can be, but is not mandated to be, reported.

17. In the background section of the interpretation, NERC affirms that transmission operators are required to provide information such as that listed in the TOP–005–1, Attachment 1 examples upon request, "whether or not [a facility] is or is not in some undefined 'degraded' state."[17]

18. In addition, the background section of the NERC interpretation emphasizes that the information to be provided under IRO–005–1 relates to events that may have a significant impact on the system, especially where operating limits are or may be exceeded. Specifically, this background section states:

> IRO–005–1 mandates that each Reliability Coordinator monitor predefined base conditions (Requirement R1), collect additional data when operating limits are or may be exceeded (Requirement R3), and identify actual or potential threats (Requirement R5). The basis for that request is left to each Reliability Coordinator. The Purpose statement of IRO–005–1 focuses on the Reliability Coordinator's obligation to be aware of conditions that may have a "significant" impact upon its area and to communicate that information to others (Requirements R7 and R9). Please note: it is from this communication that Transmission Operators and Balancing Authorities would either obtain or would know to ask for [Special Protection System] information from another Transmission Operator.[18]

[11] Order No. 693, FERC Stats. & Regs. ¶ 31,242 at P 1520, 1528, *et seq.* (declining to approve or remand certain Special Protection Systems-related Reliability Standards, including PRC–012–0, Special Protection System Review Procedure; PRC–013–0, Special Protection System Database; PRC–014–0, Special Protection System Assessment). The Commission used the term fill-in-the-blank standards to refer to proposed standards that required the regional reliability organizations to develop at a later date criteria for use by users, owners or operators within each region.

[12] NERC System Protection and Control Subcommittee (SPCS), November 18, 2008 white paper on *Protection System Reliability, Redundancy of Protection System Elements available at http://www.nerc.com/filez/spctf.html* (posted Jan. 14, 2009).

[13] NERC Regional Reliability Standards Working Group, notes on October 29, 2009 meeting, *available at http://www.nerc.com/filez/rrswg.html.*

[14] In the Western Interconnection, a Special Protection System is called a "Remedial Action Scheme."

[15] The NERC Petition provides a copy of Manitoba Hydro's November 28, 2008 request for interpretation as Exhibit A.

[16] NERC Standards Process Manual at 27–29.

[17] NERC Petition, Exhibit B at 5 (proposing text of interpretation as Appendix 1 to IRO–005–1 and TOP–005–1, and including "Background Information for Interpretation" section).

[18] *Id.,* Exhibit B at 6.

19. In addition, the NERC Petition states:

> The NERC Board of Trustees, in approving these interpretations, did so using a standard of strict construction that does not expand the reach of the standard or correct a perceived gap or deficiency in the standard. However, the NERC Board of Trustees recommended that any gaps or deficiencies in a Reliability Standard that are evident through the interpretation process be addressed promptly by the standard drafting team.[19]

20. NERC reports that it will examine any gaps or deficiencies in Reliability Standards TOP–005–1 and IRO–005–2 when it develops the next version of these standards through the Reliability Standards development process. According to NERC, the interpretations do not modify the language contained in the requirements under review. NERC states that the interpretations do not represent new or modified Reliability Standard requirements and will provide instruction and guidance of the intent and application of the requirements. NERC requests that the Commission approve the interpretations and make them effective immediately after approval, consistent with the Commission's procedures.

21. NERC submitted its Petition for Approval of Interpretations to Reliability Standard TOP–005–1—Operational Reliability Information and Reliability Standard IRO–005–1—Reliability Coordination—Current Day Operations (Petition) on November 24, 2009, seeking Commission approval of the interpretations referenced in the title of its pleading.

E. Notice of Proposed Rulemaking

1. Proposed Determination

22. In the NOPR, the Commission proposed to approve the interpretation as just and reasonable and not inconsistent with the language of the Reliability Standards. However, to address a concern that a Special Protection System that has lost a communication channel could compromise system reliability, the Commission proposed to direct that the ERO develop modifications to the Reliability Standards to address a potential reliability gap and ensure that a component failure, wherein a Special Protection System may not be able to perform as designed to ensure required Bulk-Power System performance, is reported to the appropriate reliability entities. To assist its consideration of the issues in this proceeding, the Commission requested comment on its proposal, and requested that reliability coordinators and transmission operators report whether it would be useful to the operation and coordination of the transmission system to receive information concerning the loss of a redundant communication channel.

23. In the NOPR, the Commission acknowledged the NERC System Protection and Control Subcommittee's (SPCS) November 18, 2008 white paper, "Protection System Reliability, Redundancy of Protection System Elements," which explained that "[r]edundancy means that two or more functionally equivalent Protection Systems are used to protect each electric system element."[20] The SPCS also explained that "[a] fundamental concept of redundancy is that Protection Systems need to be designed such that electric system faults will be cleared, even if a component of the Protection System fails."[21] In other words, redundant communication channels are a means to provide for the reliable operation of the Special Protection System. Thus, the Commission found that, should a communication channel fail at the time the Special Protection System is required to operate, the designed redundancy of the Special Protection System ensures that the Bulk-Power System can meet its reliability performance requirements.

24. However, the NOPR expressed the Commission's concern that, given NERC's proposed interpretation, a loss of a communication channel, a necessary and inherent performance requirement of a Special Protection System, may not be considered a reportable event under the current reporting requirements. The NOPR highlighted the critical status of Special Protection Systems, noting that they are by their nature used to address system reliability vulnerabilities to prevent system instability, cascading outages, and protect other facilities in response to contingencies. Therefore, a failure of the remaining communication component of a Special Protection System creates a reliability risk to the Bulk-Power System. We continued that where one communication channel has failed, the Special Protection System may not be able to meet the performance criteria of the Reliability Standards and in particular the performance criteria specified in the Transmission Planning (TPL) standards, because the Special Protection System may not withstand a second component failure. In conclusion, the Commission expressed its view that such a Special Protection System would be operating at some state less than the normal secure state and should need to be reported to the appropriate reliability entities in order for these reliability entities to accurately assess operational reliability.

2. Comments

25. NERC, Manitoba Hydro, Bonneville Power Administration (Bonneville), Edison Electric Institute (EEI), Entergy Services, Inc. (Entergy) and the ISO/RTO Council submitted comments in response to the NOPR. Electric Reliability Council of Texas, Inc. (ERCOT) submitted comments prior to the NOPR.

26. Commenters support the Commission's proposal to approve NERC's interpretation. However, with respect to the Commission's proposal to direct NERC to develop additional reporting requirements,[22] NERC and others responded to the Commission's proposal and emphasize that the information to be reported under the NOPR proposal is already available pursuant to other requirements. For instance, ISO/RTO Council states that the information is available to a reliability coordinator under IRO–002–1, Requirement R2.[23] NERC asserts that knowledge of the loss of a communication channel could be of general interest to a reliability coordinator or transmission operator and reports that its drafting teams are currently reviewing whether such entities should have the authority to request any and all information deemed necessary to protect the reliability of the bulk electric system, including the status of Special Protection System communication channels.[24]

27. Entergy cites IRO–005–2, Requirement R1.1 which states that a reliability coordinator must monitor the status of bulk electric system elements, including critical auxiliaries such as Special Protection Systems. According to Entergy, IRO–005–2, Requirement

[19] NERC Petition at 5.

[20] NERC SPCS White Paper at 9, *available* at *http://www.nerc.com/filez/spctf.html* (dated Jan. 14, 2009).

[21] *Id.; see also* Table 4–3 in the white paper noting possible responses to communication channel failure including adding a redundant channel or performing testing to ensure that delayed fault clearing does not violate the planning standards.

[22] NOPR, 133 FERC ¶ 61,234 at P 23, 27 (expressing concern that a Special Protection System that has lost a communication channel could compromise system reliability, but would not be reported to the appropriate reliability entities).

[23] ISO/RTO Council at 3 (citing similar requirement in new, proposed Reliability Standard, IRO–010–1a, Requirement R3). See also NERC at 4–5; NOPR, 133 FERC ¶ 61,234 at P 18 (noting interpretation assertion that reporting under TOP–005–1 is not dependent on whether a Special Protection System is in a degraded state); Order No. 748, 134 FERC ¶ 61,213.

[24] NERC at 4.

R1.1, demonstrates that information on the loss of Special Protection System communication channels is already available to reliability coordinators. Entergy likewise cites IRO–005–2, Requirement R1.1, which provides that each reliability coordinator shall monitor its reliability coordinator area parameters, including "Current Status of Bulk Electric Systems elements (transmission or generation including critical auxiliaries such as Automatic Voltage Regulators and Special Protection Systems) and system loading." [25] Entergy states, "In order to monitor the status of a Special Protection System, a reliability coordinator must know whether any of the redundant components of a Special Protection System are non-operational." [26]

28. Entergy also identifies IRO–002–1, Requirement R5, which provides that each Reliability coordinator shall have of the capability to monitor its reliability coordinator area and surrounding reliability coordinator areas "to ensure that potential or actual System Operating Limits or Interconnection Reliability Operating Limit violations are identified." Entergy concludes that reliability coordinators must know whether redundant components of a Special Protection System are operational, in order to monitor the status of the Special Protection System. Entergy also asserts that a reliability coordinator must monitor the status of communication channels in order to meet its obligations to ensure that unplanned events do not interfere with its ability to determine system operating limit violations under IRO–003–2 and IRO–002–1. Entergy concludes that, to the extent the information would be useful to the reliability coordinators, "they already have it."

29. Commenters disagree with the premise that the loss of a Special Protection System communication channel could have an impact on reliability because the remaining channel ensures that the system is able to function.[27] According to ISO/RTO Council and NERC, the loss of a communication channel on a redundant Special Protection System does not require changes to operational protocols, such as by moving towards more conservative operations, because the Special Protection System is expected to operate properly with the other communication channel in service.[28] NERC reports that industry experts determined that a reliability coordinator or transmission operator will operate as usual, and not more conservatively, upon learning that a Special Protection System is operating normally, even though a communication channel is out of service, and objected to the proposal as imposing a reporting burden without a corresponding reliability benefit.

30. According to ISO/RTO Council, the loss of a communication channel does not require specific planning and operating actions based on the particular system conditions being experienced.[29]

31. Some commenters predict that requiring reports on out-of-service communication channels could result in a flood of reports that are not useful to system planning and operation. Bonneville reports that it has over 600 communication channels dedicated to its Special Protection Systems, and notes that some channels are bound to experience technical difficulties or be taken out of service during an outage. Bonneville concludes that requiring its dispatchers to report to the reliability coordinator every time a communication channel fails or is removed from service would result in additional reporting and documentation with no corresponding benefit. Bonneville also commented that "loss of communication channels happens frequently." [30]

32. Several commenters object to the Commission's taking action in an interpretation proceeding to propose changes to the Reliability Standard requirements and propose alternate venues to press any concerns that are identified.[31] ERCOT, on the other hand, objects to the interpretation claiming that NERC should have provided clarity or guidance as to what constitutes a degraded Special Protection System.

II. Discussion

33. The Commission declines to adopt the NOPR proposal and approves NERC's interpretation of IRO–005–1, Requirement R12 and TOP–005–1, Requirement R3 as submitted. The Commission approves the interpretation as consistent with the language of the Reliability Standards, and finds the interpretation just and reasonable. Based on the comments of NERC and the industry that no reliability gap exists, the Commission will rely on their expert opinion and decline to adopt the NOPR proposal to direct the ERO develop modifications to the Reliability Standards. These actions are discussed more fully below.

34. The Commission agrees with the ERO that, with regard to IRO–005–2 Requirement R12, if a redundant Special Protection System with one communication channel out of service can still perform reliably with the remaining channel and its function would therefore not be considered degraded under IRO–005–2.[32] We also agree with the ERO and Entergy that if a reliability coordinator has identified a Special Protection System that is necessary for Reliable Operation, the reliability coordinator can request detailed data as needed, including the status of the components of a Special Protection System.[33] The Reliability Coordinator is obligated to receive and consider data to support its assessment of the performance of the system in order to protect against SOL and IROL events—this could include data about the status of communication facilities.[34] We agree with commenters that, while the specific wording in the Requirement does not compel the affected entities to report the outage of a single communication channel as degraded if the system remains functional, the information can be compelled by the Reliability Coordinator.

35. In the NOPR, the Commission expressed concern that the interpretation may create a reliability gap with regard to the reporting requirements for a Special Protection System that is able to operate as designed, but still poses a reliability risk to the Bulk-Power System with loss of a single communication channel with redundant design. The ERO asserts that the fact "that one communication channel of a Special Protection System may be out of service in no way prevents that Special Protection System from performing its designed function." As such, a system operator would not be required to make changes to its operational protocols. The ERO nevertheless states that "* * * the knowledge of the loss of a communication channel could be of general interest to a reliability

[25] Entergy at 7.

[26] *Id.*

[27] *See* NERC at 3; Bonneville at 3; EEI at 5 and Affidavit of W. Miller; Entergy at 5; ISO/RTO Council at 3, 4; Manitoba Hydro at 4–5.

[28] *E.g.,* NERC at 3; ISO/RTO Council at 3–4.

[29] ISO/RTO Council at 5.

[30] Bonneville at 3.

[31] EEI at 6; NERC at 4.

[32] *See* NERC Petition, Exhibit B at 6 (providing text to interpretation as appendix to IRO–005–1 and TOP–005–1).

[33] *See* NERC Petition, Exhibit B at 5 ("Background Information for Interpretation"); Entergy at 7; *see also* IRO–002–1, Requirement R2 ("Each reliability coordinator shall determine the data requirements to support its reliability coordination tasks and shall request such data.").

[34] IRO–002–1, Requirement R2; *see also* NERC Petition, Exhibit B at 5, "Background Information for Interpretation" (discussing TOP–005–1).

coordinator or transmission operator." Finally, the ERO and ISO/RTO Council indicate that this information is available to reliability coordinators pursuant to requirements in other reliability standards, and is therefore not necessary as a reporting requirement in TOP–005–1.

36. We are persuaded that a requirement to report the outage of a single communication channel where redundant channels exist is unnecessary because both the ERO and ISO/RTO point to existing requirements in other Reliability Standards that would make this information available to the reliability coordinator upon its request.[35] Such requirements provide the reliability coordinator authority to compel such information as it may deem necessary to ensure reliable operation of the Bulk-Power System including information on the outage of communication channels. Our review of the record in this proceeding satisfies the concerns we expressed in the NOPR and therefore we do not find it necessary to establish the NOPR reporting requirement proposal.

37. In light of the Commission's decision not to implement the NOPR proposal concerning the reporting of the loss of a redundant communication channel, we need not address commenters' objections to our proposal. Ultimately, the decision whether the redundancy of a particular system is needed to perform as designed is a judgment call that must be made by the appropriate reliability entities (*i.e.,* the transmission operator and the reliability coordinator).

III. Information Collection Statement

38. The Office of Management and Budget (OMB) regulations require that OMB approve certain reporting and recordkeeping (collections of information) imposed by an agency.[36] The information contained here is also subject to review under section 3507(d) of the Paperwork Reduction Act of 1995.[37]

39. As stated above, the IRO–005–1 and TOP–005–1 Reliability Standards that are the subject of the approved interpretation was approved in Order No. 693, and the related information collection requirements were reviewed and approved, accordingly.[38] The approved interpretations of IRO–005–1 and TOP–005–1 do not modify or otherwise affect the collection of information already in place.

40. With respect to TOP–005–1, the interpretation clarifies that NERC affirms that transmission operators are required to provide information upon request, without regard to whether the equipment is operating in a degraded state, as posited in the request for an interpretation.[39] Consequently, the interpretation does not change the information that a transmission owner must report, because the requesting entity is free to request the same types of information as before, and the same logs, data, or measurements would be maintained.

41. With respect to IRO–005–1, the interpretation states that a transmission operator is mandated to report the loss of a communication channel, if the loss will result in the failure of a Special Protection System to operate as designed. Thus, the interpretation and the comments received in this rulemaking clarify that the reporting requirements focus on whether a Special Protection System can continue to perform its reliability function.

42. Thus, the interpretations of the current Reliability Standards at issue in this rulemaking will not modify the reporting burden. However, we will submit this Final Rule to OMB for informational purposes.

43. Interested persons may obtain information on the reporting requirements by contacting the following: Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426 [Attention: Ellen Brown, Office of the Executive Director, e-mail: *DataClearance@ferc.gov,* Phone: (202) 502–8663, fax: (202) 273–0873].

44. For submitting comments concerning the collection(s) of information and the associated burden estimate(s), please send your comments to the contact listed above and to the Office of Information and Regulatory Affairs, Office of Information and Regulatory Affairs, Washington, DC 20503 [Attention: Desk Officer for the Federal Energy Regulatory Commission, phone (202) 395–4638, fax: (202) 395–7285, e-mail: *oira_submission@omb.eop.gov*. Please reference OMB Control Number 1902–0244 and the docket number of this rulemaking in your submission.].

IV. Environmental Analysis

45. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.[40] The Commission has categorically excluded certain actions from this requirement as not having a significant effect on the human environment. Included in the exclusion are rules that are clarifying, corrective, or procedural or that do not substantially change the effect of the regulations being amended.[41] The actions proposed herein fall within this categorical exclusion in the Commission's regulations.

V. Regulatory Flexibility Act

46. The Regulatory Flexibility Act of 1980 (RFA)[42] generally requires a description and analysis of final rules that will have significant economic impact on a substantial number of small entities. The RFA mandates consideration of regulatory alternatives that accomplish the stated objectives of a proposed rule and that minimize any significant economic impact on a substantial number of small entities. The Small Business Administration's (SBA) Office of Size Standards develops the numerical definition of a small business.[43] The SBA has established a size standard for electric utilities, stating that a firm is small if, including its affiliates, it is primarily engaged in the transmission, generation and/or distribution of electric energy for sale and its total electric output for the preceding twelve months did not exceed four million megawatt hours.[44]

47. Initially, as noted above, this Final Rule addresses an interpretation of the IRO–005–1 and TOP–005–1 Reliability Standards, which were already approved in Order No. 693, and, therefore, does not create an additional regulatory impact on small entities. Therefore, the Commission certifies that this Final Rule will not have a significant impact on a substantial number of small entities.

VI. Document Availability

48. In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (*http://www.ferc.gov*) and in the Commission's Public Reference Room during normal

[35] IRO–005–1, Requirement R2; see also the interpretation, Background Information for Interpretation, discussing TOP–005–1.

[36] 5 CFR 1320.11.

[37] 44 U.S.C. 3507(d).

[38] Order No. 693, FERC Stats. & Regs. ¶ 31,242 at P 945, 1648.

[39] NERC Petition, Exhibit B at 5 (proposing text of interpretation as Appendix 1 to IRO–005–1 and TOP–005–1).

[40] *Regulations Implementing the National Environmental Policy Act,* Order No. 486, 52 FR 47897 (Dec. 17, 1987), FERC Stats. & Regs. Regulations Preambles 1986–1990 ¶ 30,783 (1987).

[41] 18 CFR 380.4(a)(2)(ii).

[42] 5 U.S.C. 601–612.

[43] 13 CFR 121.101.

[44] 13 CFR 121.201, Sector 22, Utilities & n. 1.

business hours (8:30 a.m. to 5 p.m. Eastern time) at 888 First Street, NE., Room 2A, Washington, DC 20426.

49. From the Commission's Home Page on the Internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

50. User assistance is available for eLibrary and the Commission's Web site during normal business hours from FERC Online Support at (202) 502–6652 (toll free at 1–866–208–3676) or e-mail at *ferconlinesupport@ferc.gov,* or the Public Reference Room at (202) 502–8371, TTY (202) 502–8659. E-mail the Public Reference Room at *public.referenceroom@ferc.gov*.

VII. Effective Date and Congressional Notification

51. These regulations are effective May 26, 2011. The Commission has determined, with the concurrence of the Administrator of the Office of Information and Regulatory Affairs of OMB, that this rule is not a "major rule" as defined in section 351 of the Small Business Regulatory Enforcement Fairness Act of 1996.

List of Subjects in 18 CFR Part 40

Electric power, Electric utilities, Reporting and recordkeeping requirements.

By the Commission.

Kimberly D. Bose,

Secretary.

[FR Doc. 2011–10011 Filed 4–25–11; 8:45 am]

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DEPARTMENT OF STATE

22 CFR Part 62

RIN 1400–AC79

[Public Notice 7427]

Exchange Visitor Program—Summer Work Travel

AGENCY: Department of State.

ACTION: Interim final rule with request for comment.

SUMMARY: The Department is amending current regulations governing the Summer Work Travel category of the Exchange Visitor Program. The amendments clarify existing policies and implement new procedures to ensure that the Summer Work Travel program continues to foster the objectives of the Mutual Educational and Cultural Exchange Act of 1961 (Fulbright-Hays Act). These changes will enhance the integrity and programmatic effectiveness of Summer Work Travel exchanges.

The Department has examined the potential risks and harms related to the Summer Work Travel program and believe that the current regulations do not sufficiently protect national security interests; the Department's reputation; and the health, safety, and welfare of Summer Work Travel program participants. Accordingly, and for reasons discussed more fully below, this rule modifies the Summer Work Travel regulations by establishing different employment placement requirements based on the aliens' countries of citizenship and by requiring sponsors to fully vet the job placements of all program participants. It also clarifies that only vetted U.S. host employers and vetted third party overseas agents or partners (i.e., foreign entities) with whom sponsors have contractual agreements may assist sponsors in the administration of the core functions of their exchange programs. Sponsor monitoring, reporting, and information dissemination requirements are also strengthened.

DATES: The interim final rule will become effective July 15, 2011. The Department will accept comments on the interim final rule from the public up June 27, 2011.

ADDRESSES: You may submit comments by any of the following methods:

- *Online:* Persons with access to the Internet may view this notice and provide comments by going to the regulations.gov Web site at: *http://www.regulations.gov/index.cfm.*
- *Mail (paper, disk, or CD–ROM submissions):* U.S. Department of State, Office of Designation, SA–5, Floor 5, 2200 C Street, NW., Washington, DC 20522–0505.
- *E-mail: JExchanges@state.gov.* You must include the RIN (1400–AC79) in the subject line of your message.

FOR FURTHER INFORMATION CONTACT: Stanley S. Colvin, Deputy Assistant Secretary for Private Sector Exchange, U.S. Department of State, SA–5, Floor 5, 2200 C Street, NW., Washington, DC 20522–0505; fax (202) 632–2701.

SUPPLEMENTARY INFORMATION: Summer Work Travel exchange programs have been a cornerstone of U.S. public diplomacy efforts for nearly 50 years, providing an estimated two million foreign college and university students the opportunity to work and travel in the United States during their summer vacations. The popularity of this program arises from its participants' ability to enjoy true cultural exchange experiences by being able to underwrite the cost of their travel through temporary employment in the United States.

Though popular, the program is not without problems. Inadequacies in U.S. sponsors' vetting and monitoring procedures contribute to potentially dangerous or unwelcomed situations for these participants. This past summer, the Department received a significantly increased number of complaints from foreign governments, program participants, their families, concerned American citizens, the media, law enforcement agencies, other federal and local agencies, and the Congress regarding fraudulent job offers, inappropriate jobs, job cancellations on arrival, insufficient number of work hours, and housing and transportation problems. Moreover, the Department of Homeland Security has reported an increase in incidents involving criminal conduct (e.g., money laundering, identity theft, prostitution) in several non-immigrant visa categories. To minimize the riskJ–1 visa holders may become victims of these types of crimes (or actively involved in such conduct) the Department must immediately modify existing regulations. When the health, safety, and welfare of Exchange Visitor Program participants are at risk, the Exchange Visitor Program's usefulness as a public diplomacy tool is jeopardized.

Of particular concern is the criminal nature of some of the complaints associated with aliens travelling to the United States under some non-immigrant visa categories. The Department has been advised by sister law enforcement agencies of numerous documented reports of aliens either knowingly engaging in or becoming hapless victims of and accessories to criminal activities, including money laundering, money mule schemes, and Medicare fraud. Further, the young age and limited sophistication of some Exchange Visitor Program participants underlie a potential vulnerability for trafficking initiatives and criminal schemes targeted at them.

By preventing the deleterious effect that such unchecked risk can have on program participants, the interim final rule can have an immediate effect on the participants' cumulative positive opinions of the United States, thereby meeting the fundamental objective of the Exchange Visitor Program.

To address the problems noted above, the Department has taken a number of steps to improve the integrity of the program. First, in early 2010, the