information from HTML text displays and selecting from menus of downloadable files. Customers would receive the information either as HTML pages or as ASCII files in a predetermined form and layout.

The information model for Phase II, while not fully specified, would provide customers with much more flexibility in requesting and receiving information. Customers would be able to make complex queries of a data base and specify the order in which the information will be received.

For security purposes, and as an aid in auditing performance and transactions, customers would be required to register with the transmission-owning utility or its agent before they are permitted access to the utility's transmission service information on the RIN.[41]

The How Report provides a number of performance standards and a limited set of security precautions. Performance requirements include sizing RIN Nodes to handle the loading of registered subscribers, responding to subscriber requests, backing up the system, and other areas that are necessary for the system to function as desired. Security precautions include firewalls[42] between computer systems and the Internet, the use of passwords, the use of data encryption for uploads of sensitive or confidential information, and the use of ASCII text for uploads of other information.

b. Phase II Requirements

The specifications for Phase II are less detailed than those for Phase I, but the How Group anticipates that Phase II RINs would be an upgrade of Phase I and would not make Phase I investments obsolete. Phase I is envisioned as a prototype for Phase II. Once Phase I becomes operational, the full information and functional requirements needed to support open access transmission service will become clearer. The How Report recommends the formation of a RIN Management Organization to develop Phase II standards for submission to the Commission. The How Group proposes that Phase II be implemented two years after issuance of the final rule on Phase I RIN requirements.

The How Group foresees the need for several key additional requirements in Phase II.[43] In Phase II, they foresee that RIN Nodes must provide connections to private networks if requested by a customer, for a negotiated cost-based fee, whereas in Phase I public utilities would not be required to make these connections. In Phase II, RIN Nodes would have to offer the capability of informing customers immediately when information of interest to them is changed by the provider. RIN Nodes would be required to support search and select tools to access information in RIN Node data bases, and to meet a more complete set of performance requirements.

In Phase II, the information model would change, although the information in the data base would be the same. Customers would be able to receive information by querying a data base. The information would no longer be received in a predetermined fixed layout. Customers would be able to specify the exact information they want to receive and the layout they want to receive it in. For example, customers would be able to request available capacity by quantity of capacity, point of delivery, date of availability, and have it sorted by the name of the transmission-owning public utility. The customer also would be able to define the order in which the information is received in the file.

2. Discussion

The How Group assumed the task of specifying, in a very short period of time, a RIN that would meet the Commission's requirement for customer access to information about transmission services. It developed a proposed solution that places the RIN of each transmission-owning public utility on a network that can be accessed by all customers, using inexpensive tools with a single connection, with what the group believes to be a reasonable cost to both utilities and customers, sufficient security, and sufficient response time. The proposal to use the Internet to tie RIN Nodes together appears to be an inexpensive way for customers to access transmission services information and for transmission-owning public utilities to provide it to them.

The Commission proposes to adopt the proposals contained in the How Report, with the exceptions discussed below.[44] Except where noted, the issues discussed are Phase I issues.

a. Phasing

Because of the complexity of building RINs, and the need to begin the Commission's transmission open access program promptly, the Commission agrees with the How Report that a phased approach to implementation is warranted. The Commission proposes to require Phase I implementation as of the effective date of a final rule on non-discriminatory open access transmission and stranded costs.

At How Group meetings, many transmission-owning public utilities expressed the view that implementing Phase I within 90 days of the date of a final RIN Rule may not allow sufficient time to design, build, and test RINs. The How Report notes that a large risk exists that many RINs will not be fully functioning at that time. These transmission-owning public utilities request that the Commission permit a six-month implementation period.

Question 25. The Commission requests comments on how long the implementation schedule should be for Phase I.

Phase I would provide a good first step toward ensuring that sufficient information is available to utility customers to achieve the Commission's goal of comparable access to transmission information. It would not, however, provide all of the performance requirements or information needed for a long-term open access RIN.

Phase II would provide for more expanded services. The How Report addresses Phase II issues, but does not fully specify them. It proposes that Phase II be implemented within two years of a final rule on RINs. The Commission believes that the need for the additional functions and performance requirements proposed for Phase II requires expeditious implementation. Accordingly, the Commission requests that the industry continue the process of developing standards, and provide a consensus report to the Commission on Phase II recommendations by no later than January 1, 1997. We anticipate that this report would be the basis of supplemental RIN proceedings to implement Phase II RIN requirements.

b. Standards Issues

Based on our experience with implementing standards for natural gas pipeline electronic bulletin boards,[45] a

[41] How Report at § 3.2.1.

[42] A firewall increases security by blocking access to certain services on a private network from the Internet.

[43] How Report at § 2.4.2.

[44] The Report refers to Buy/Sell transactions. As used in the Report, the term refers to a request to purchase transmission capacity and the response to the request. The reader of the How Report should substitute Purchase request/Response for buy/sell whenever it is encountered.

[45] See Order No. 563, Standards for Electronic Bulletin Boards Required Under Part 284 of the Commission's Regulations, Final Rule, III FERC Stats. & Regs. ¶ 30,988 (1993); Order 563–A, Order on Reh'g, III FERC Stats. & Regs. ¶ 30,994 (1994); Order 563–B, Order Denying Reh'g, 68 FERC

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