



Dates & Events

September 2014

- 11 [NERC 2014 Reliability Leadership Summit](#), Washington, DC
- 15-16 [NIST Privacy Engineering Workshop](#), Tampa, FL
- 16-18 [NERC Fall 2014 Compliance Workshop](#) for Regional Entities, Atlanta, GA
- 22 [Comments due to FERC](#) on CIP-014-1 (Physical Security) NOPR
- 23-24 [NERC Monitoring and Situational Awareness Conference](#), Audubon, PA
- 23-25 [NERC Standards and Compliance Workshop](#), Atlanta, GA
- 29 [Comments due to FERC](#) on PRC-005-3 (Protection System and Automatic Reclosing Maintenance) NOPR
- 30 Order No. 754 [data from transmission planners](#) on buses between 100 and 200 kV due to NERC

October 2014

- 2 [Risk-based Registration Workshop](#) for Transmission Owners and Operators, Folsom, CA
- 14-17 [NERC Grid Security Conference](#), San Antonio, TX
- 15 [Risk-based Registration Workshop](#) for Transmission Owners and Operators, Atlanta, GA
- 29-30 [NIST Cybersecurity Framework Workshop](#), Tampa, FL

Electric Reliability Update

AUGUST 28, 2014

FERC

D.C. Circuit Bars FERC from Fining Federal Entities for Reliability Violations - August 22 - The D.C. Circuit [issued its opinion](#) in *Southwestern Power Administration v. FERC*, and held that FERC and NERC's authority to levy penalties under Section 215 of the Federal Power Act did not extend to federal entities such as SWAPA. Specifically, the decision indicated that federal sovereign immunity (the ability to sue or penalize the government) could only be waived by unambiguous statutory language, which was not present in section 215. Should the ruling stand, FERC and NERC would still be able to promulgate and enforce reliability requirements for federal entities, but would not be able to seek monetary penalties from such entities for noncompliance.

FERC Grants Rehearing in Geomagnetic Disturbance Standards Proceeding - August 20 - FERC [granted a limited rehearing](#) of its [June 19 order](#) approving new Reliability Standards to address Geomagnetic Disturbances in order to allow more time for considering the issues raised in petitioners' rehearing requests. FERC states that it will address the substance of rehearing requests in a future order.

FERC Submits Corrections to MOD NOPR - Aug. 14 - FERC [published in the Federal Register an errata notice to correct certain paragraphs of the MOD NOPR](#), which was previously published in the Federal Register on June 26, 2014. The errata modifies information in the original NOPR relating to the paperwork burden and updating the OMB Control Number. Comments remain due August 25, 2014.

FERC Extends Deadline for Comments on ERO 5-Year Performance Assessment - August 19 - Upon request, FERC [extended the deadline](#) for comments on NERC's [Five-Year ERO Performance Assessment Report](#) until August 29, 2014.

NERC

NERC Submits Proposed Reliability Standards for Facility Connection Requirements - August 22 - NERC submitted for FERC approval [revised Facility Design, Connections, and Maintenance \("FAC"\) Reliability Standards \(FAC-001-2 and FAC-002-2\)](#). According to NERC's proposal, Reliability Standard FAC-001-2 "requir[es] Transmission Owners and applicable Generator Owners to document Facility interconnection requirements," while Standard FAC-002-2 intends to assess the "impact of interconnecting new or materially modified Facilities on the Bulk Electric System."

NERC Submits 2015 Business Plan and Budget for Approval - Aug. 22 - NERC submitted to FERC its [2015 Business Plan and Budget](#). In its proposal, NERC is proposing an 18.2% increase over its 2014 Budget. Nearly 16% of the 18% increase is due to added costs associated with participating in the Cyber Risk Information Sharing Program (CRISP), which is a cybersecurity information sharing tool built by the Pacific Northwest National Laboratory that seeks to enhance the ability of utilities to protect critical infrastructure. Comments are due September 12th.

NERC Submits Errata Filing to Interchange Scheduling and Coordination Reliability Standards - August 22 - NERC submitted to FERC a [petition for approval of errata](#) related to four reliability standards. Among other changes, NERC's errata filing clarifies an inconsistency between the implementation plan and the effective date language for the listed Reliability Standards in its original February 27 petition for approval.

NERC Board Approves Role for ES-ISAC in DOE Cybersecurity Initiative and Adopts Four Standards - August 14 - At its [quarterly meeting](#), the NERC Board of Trustees authorized a resolution to expand the Electricity Sector Information Sharing and Analysis Center (ES-ISAC) duties to include management of

NERC Balloting & Comment Deadlines

September 2014

- 12 [Additional Ballot and Non-Binding Poll Closes and Comments Due](#): Project 2007-17.3 – Protection System Maintenance and Testing – Phase 3 (Sudden Pressure Relays) – PRC-005-X
- 19 [Additional Ballots and Non-Binding Polls and Comments Due](#): Project 2014-03 – Revisions to TOP/IRO Reliability Standards
- 19 [Joint Ballot Pool Closes](#): Project 2008-02 – Undervoltage Load Shedding & Underfrequency Load Shedding – PRC-006-2
- 30 [Order No. 754 Data Due](#) – Transmission Planners Must Report Data for Buses Operated at 100 kV or Higher and Below 200 kV

October 2014

- 2 [Additional Ballot and Non-Binding Poll Closes and Comments Due](#): Project 2010-14.1 – Phase 1 of Balancing Authority Reliability-based Controls: Reserves – BAL-002-2
- 6 [Additional Ballot and Non-Binding Poll Closes and Comments Due](#): Project 2010-13.3 – Phase 3 of Relay Loadability: Stable Power Swings
- 8 [Additional Ballot and Non-Binding Poll Closes and Comments Due](#): Project 2008-02 – Undervoltage Load Shedding & Underfrequency Load Shedding – PRC-006-2

Selected Regional Compliance / Training Events

September 2014

- 5 [SERC CIP V5 Webinar](#)
- 11-12 [NPCC Compliance Committee Meeting](#)
- 30-10/1 [RF 2014 Fall Reliability Workshop](#)
- 30-10/1 [SERC Fall Compliance Seminar](#)

October 2014

- 1-2 [SPP Quarterly Compliance Forum](#)

the Department of Energy's Cyber Risk Information Sharing Program (CRISP). The Board of Trustees also adopted four new standards, which will now go to FERC for approval: FAC-001-2 - Facility Interconnection Requirements; FAC-002-2 - Facility Interconnection Studies; NUC-001-3 - Nuclear Plant Interface Coordination; and PRC-004-3 - Protection System Misoperation Identification and Correction.

NERC Submits Budget Compliance Filing - August 14 - NERC submitted a [compliance filing](#) required under a settlement agreement with FERC's Office of Enforcement relating to FERC's 2012 performance audit of NERC. The compliance filing contains an unaudited budget-to-actual variance report of NERC expenditures for the second quarter of 2014.

Cybersecurity and Grid Security

NRC Hacked Three Times in Three Years – August 18- A [report](#) by the Inspector General of the Nuclear Regulatory Commission (NRC) indicates that the NRC was hacked three times in the past three years, including through phishing and spearphishing attacks, and malware distributed through an employee's compromised email account.

Department of Homeland Security Identifies Cybersecurity Vulnerability in Substation Software - July 31 - The Industrial Control Systems Cyber Emergency Response Team (ICS-CERT), which is division of the Department of Homeland Security, [identified a cybersecurity vulnerability in software commonly used in electric substations](#). Specifically, the ICS-CERT notice indicates that the issue involves a buffer overflow vulnerability in the SUBNET Solutions Inc (SUBNET), SubSTATION Server 2, Telegyr 8979 Master application. A fix for this vulnerability is now available from SUBNET.

Regional Developments

FRCC and MRO Final 2015 Budgets Posted - August 21 - The [Florida Reliability Coordinating Council and the Midwest Reliability Organization budgets](#) for 2015 have been filed with NERC. MRO requested a \$10.33 million budget (an increase of \$583,000 over 2014) while FRCC requests \$7.16 million (an increase of \$367,000 over 2014). Each organization's budget includes goals and key deliverables for 2015.

Other Developments

DOE Releases Study on Electric Transmission Congestion - August 19 - The Department of Energy [released a draft](#) of its National Electric Transmission Congestion Study for public comment. The report evaluates congestion concerns in light of changes such as EPA regulations and new transmission development and identifies areas of congestion throughout the country, but does not recommend particular changes to alleviate congestion. A new report is required by statute every three years. [Comments are due to DOE](#) by October 20, 2014.

About Us

The Van Ness Feldman Electric Reliability Update is published by [Andrew Art](#), [Malcolm McLellan](#) and [Gabe Tabak](#), with assistance from [Chris Zentz](#), [Ilan Guthertz](#), and [Van Smith](#).

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