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Dates & Events

September 2015

- 1-3 CIP v5 Small Group Advisory Session, Atlanta, GA
- 3 NERC webinar, <u>Winter</u>
 <u>Preparation for Severe</u>
 <u>Cold Weather</u>
- 17 NERC webinar, Long Term Planning and System Analysis
- 21 Comments due to FERC on revised <u>CIP Reliability</u>
 Standards
- 29-30 Monitoring and
 Situational Awareness
 Technical Conference,
 Austin, TX
- 30-Oct.1 <u>Fault Induced Delayed</u> <u>Voltage Recovery</u> workshop, Alexandria, VA

October 2015

13-16 <u>GridSecCon</u> 2015, Philadelphia, PA

Electric Reliability Update

AUGUST 28, 2015

FERC

FERC Issues Letter Order on NERC Compliance and Certification Committee Charter Revisions - August 21 - FERC conditionally approved NERC's June 2 request for approval of proposed revisions to the NERC Compliance and Certification Committee (CCC) Charter. NERC's revisions reflect changes to the NERC Rules of Procedure and change references to NERC titles to reflect organizational changes. FERC also directed NERC to submit for approval any future revisions to the CCC Charter.

NERC

NERC Seeks Approval of 2016 Business Plans and Budgets - August 24 - NERC submitted to FERC a <u>request to accept the 2016 Business Plans and Budgets of NERC</u>, the eight Regional Entities, and the Western Interconnection Regional Advisory Body. NERC also requested approval of the proposed funding for the 2016 budgets of these organizations

NERC <u>submitsed</u> comments on Proposed Emergency Operations Standards - August 24 - NERC <u>submitted comments</u> supporting FERC's proposal to approve Reliability Standards EOP-011-1 (Emergency Operations) and PRC-010-1 (Undervoltage Load Shedding), revised definitions, and retirement of currently-effective Reliability Standards. NERC's comments address the exclusion of Load Serving Entities under Reliability Standard EOP-011-1, respond to questions in the NOPR relating to "BES subsystems," and support the retirement of Reliability Standard PRC-022-1 upon the implementation of undervoltage load shedding revisions.

NERC Submits Comments on Proposed TOP/IRO Reliability Standards - August 24 - NERC submitted comments to FERC supporting its Notice of Proposed Rulemaking (NOPR) to approve revisions to the TOP/IRO Reliability Standards. In its comments, NERC responded to questions raised by FERC in the NOPR on (1) possible inconsistencies in identifying IROLs; (2) monitoring of non-BES facilities; the removal of the Load Serving Entity function as an applicable entity for proposed Reliability Standard TOP-001-3; and (4) data exchange capabilities.

NERC Requests Approval of Amendments to TRE Bylaws - August 18 - NERC requested FERC approval of amendments to the Bylaws of the Texas Reliability Entity, Inc. (TRE). The proposed amendments update the Bylaws to reflect the elimination of the purchasing-selling entity function and potential elimination of the load-serving entity function from the NERC functional model, revise membership fee amount, revise Member Representatives Committee processes, and make other ministerial changes. NERC requested expedited approval to ensure effectiveness of the revisions given FERC's approval of NERC's Risk-Based Registration initiative.

Appeal of Geomagnetic Disturbance Standard Concludes - August 17 - NERC filed with FERC a notice that an appeal by the Foundation for Resilient Societies, Inc. (Foundation) of proposed Reliability Standard TPL-007-1 has concluded. After the Foundation's initial appeal to the NERC Director of Standards was denied, a second appeal to a panel appointed by the NERC Board of Trustees was also denied. In denying the second appeal, the panel stated that the Foundation was afforded fair and equitable treatment during the standard development process of proposed Reliability Standard TPL-007-1.



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NERC Balloting & Comment Deadlines

September 2015

- 11 Additional Ballot and Nonbinding Polls and Comments Due: 2007-06 - System Protection Coordination -PRC-027-1
- 11 Initial Ballot and Nonbinding Polls and Comments Due: Project 2007-06.2 -Phase 2 of System Protection Coordination -TOP-009-1
- 14 Initial Ballot and Nonbinding Polls and Comments Due: Project 2010-14.2.1 -Phase 2 of Balancing Authority Reliability-based Controls - BAL-005-1, BAL-006-3, FAC-001-3
- Initial Ballot and Non binding Polls and Comments
 Due: Project 2007-17.4 PRC-005 FERC Order No.
 803 Directive PRC-005-6
- 18 Initial Ballot and Nonbinding Polls and Comments Due: Project 2010-04.1 -MOD-031 FERC Order No. 804 Directives - MOD-031-2
- 21 Comments Due: Project
 2015-09 Establish and
 Communicate System
 Operating Limits FAC-0103, FAC-011-3, FAC-014-2
- 28 <u>Comments Due</u>: Project 2010-07.11 – Vegetation Management – FAC-00303

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11 Additional Ballot and Nonbinding Polls and Comments Due: Project 2010-05.3 -Phase 3 of Protection Systems: Remedial Action Schemes (RAS) – PRC-012-2 Trade Associations Submit Comments Supporting Risk-Based Registration Order - August 17 - The American Public Power Association (APPA), National Rural Electric Cooperative Association (NRECA), and the Transmission Access Policy Study Group (TAPS) submitted comments supporting NERC's proposal to eliminate Load-Serving Entity (LSE) registrations, a component of NERC's Risk-Based Registration Initiative that was initially denied by FERC without prejudice. The groups argue that the continued registration of LSEs and the associated burdens outweigh the "insignificant" risks posed to the Bulk Electric System, and that LSE load information will continue to be available through other registrations, along with tariff and contract obligations.

NERC Submits Compliance Filing on Budget-to-Actual Spending Variances - August 14 - NERC submitted a compliance filing containing an unaudited report of budget-to-actual spending variances through June 30, 2015. According to the report, NERC was 8.9% (\$3 million) under budget through June 30 and expects to be 0.6% over budget (\$393,000) at the end of 2015.

Selected Regional Compliance / Training Events

September 2015

- 1 <u>RFC Protection System</u> <u>Training for Field Personnel</u>
- 9-10 <u>WECC CIP Advanced</u> Training
- 28-29 <u>SERC CIP Compliance</u> <u>Seminar</u>
- 29-30 <u>RFC Fall Reliability</u> <u>Workshop</u>
- 30-10/1<u>SPP Quarterly Compliance</u>
 Forum

October 2015

6 TRE Compliance 101

NERC Submits Capital and Reserves Compliance Filing - August 14 - As required by a June 18 FERC Order, NERC <u>submitted a compliance filing</u> containing revisions to its Working Capital and Operating Reserve (WCOR) Policy. In the June 18 Order, FERC conditionally approved proposed revisions to the WCOR Policy but directed NERC to submit a compliance filing within 60 days. In the compliance filing, NERC clarified that any reallocations of budgeted funds and/or expenditures of Operating reserves in excess of \$500,000 will be submitted to FERC.

NERC Petitions for Approval of Amendments to MRO Delegation Agreement - August 14 - <u>NERC petitioned FERC to approve amendments</u> to Exhibit B to the Delegation Agreement with Midwest Reliability Organization, Inc. (MRO). The amendments change reflect MRO's change from a 501(c)(6) corporation to a tax-exempt 501(c)(3) not-for-profit corporation.

Vegetation Management Technical Report Submitted - August 12 - NERC submitted the <u>Electric</u> <u>Power Research Institute's 2015 Technical Report</u> to FERC. The report explains the methods used to determine the Minimum Vegetation Clearance Distances in the NERC FAC-003-2 Reliability Standard.

Cybersecurity and Grid Security

ICS-CERT Releases 2014 Year End Assessment Report - August 11 - The Industrial Control Systems Cyber Emergency Response Team (ICS-CERT) released the 2014 Year End Assessment Report. The report provides an overview and analysis of on-site cybersecurity assessments by ICS-CERT of critical infrastructure owners and operators.

About Us

The Van Ness Feldman Electric Reliability Update is published by <u>Andrew Art</u>, <u>Malcolm McLellan</u> and <u>Gabe Tabak</u>, with assistance from <u>Ilan Gutherz</u>, <u>Van Smith</u>, Tyler Elliott, and Michael Weiner. <u>Van Ness Feldman</u> counsels, advises and trains a wide range of clients on reliability matters. Please <u>email us</u> or call us at 202.298.1817 or 206.829.1814 for additional information. Click <u>here</u> to sign up for the Reliability Update.

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