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Dates & Events

February 2017

2 NERC Cyber Security Supply Chain Risk Management <u>Webinar</u>

NERC Balloting & Comment Deadlines

February 2017

- 2 <u>Final Ballots Due</u>: Project 2015-08 – Emergency Operations – EOP-004-4
- 23 <u>Comments Due</u>: Project 2016-EPR-01 – Enhanced Periodic Review of PER Standards– Templates for PER-003-1 and PER-004-2

<u>March 2017</u>

6 Initial Ballot and Nonbinding Polls and Comments Due: Project 2016-03 Cyber Security Supply Chain Risk Management – CIP-013-1

Electric Reliability Update

JANUARY 30, 2017

FERC

FERC Denies Requests for Rehearing Relating to Geomagnetic Disturbance Events Standard - January 19 - FERC <u>issued an order</u> denying requests from the Foundation for Resilient Societies, the Edison Electric Institute, the Center for Security Policy, and the Jewish Institute for National Security Affairs for rehearing of Order No. 830, in which FERC approved Reliability Standard TPL-007-1 (Transmission System Planned Performance for Geomagnetic Disturbance Events).

FERC Proposes to Approve Remedial Action Schemes Standard - January 19 - FERC issued a Notice of Proposed Rulemaking (NOPR) <u>proposing to approve</u> Reliability Standard PRC-012-2 (Remedial Action Schemes), which ensures that remedial action schemes (RAS) do not introduce unintentional or unacceptable reliability risks to the bulk electronic system, and the associated implementation plan and violation risk factors and severity levels. In the NOPR, FERC also proposed to clarify that proposed Reliability Standard PRC-012-2 will not modify or supersede any system performance obligations under Reliability Standard TPL-001-4. Comments are due 60 days after publication in the Federal Register.

FERC Accepts CAISO's Transferred Frequency Response Agreement - January 19 - FERC <u>issued an</u> order accepting the Transferred Frequency Response Agreement (TFR Agreement) between the California Independent System Operator Corporation (CAISO) and the Bonneville Power Administration (Bonneville). CAISO and Bonneville entered into the TFR Agreement, under which Bonneville will provide transferred frequency response to CAISO, after FERC authorized CAISO to procure transferred frequency response from other balancing authorities as a means to comply with Reliability Standard BAL-003-1.1 (Frequency Response and Frequency Bias Setting) through a competitive solicitation process.

FERC Approves Contingency Reserve Reliability Standard - January 19 – FERC issued a Final Rule approving Reliability Standard BAL-002-2 (Disturbance Control Standard—Contingency Reserve for Recovery from a Balancing Event). In the Final Rule, FERC directed NERC to develop modifications to Reliability Standard BAL-002-2 regarding extensions of the 15-minute period for Area Control Error recovery and contingency reserve restoration. The Final Rule also directed NERC to submit reports on reportable balancing contingency events during the contingency reserve restoration period and the risks associated with megawatt losses above the most severe single contingency that do not cause energy emergencies. The standard will likely become enforceable on January 1, 2018, depending on the date of publication in the Federal Register.

FERC Approves Retirement of Time Error Correction Reliability Standard - January 18 - FERC <u>issued a</u> <u>letter order</u> approving NERC's petition for retirement of Reliability Standard BAL-004-0 (Time Error Correction). NERC's petition for retirement stated that since Reliability Standard BAL-004-0 became effective, improvements have been made to Reliability Standards that ensure continued adherence to frequency approximating 60 Hertz over long-term averages, making BAL-004-0 redundant. The retirement will be effective on the later of (i) April 1, 2017, or (ii) the effective date of retirement/reservation of the North American Energy Standard Board WEQ-006 Manual Time Error Correction Business Practice Standard.

Petition to FERC for Rulemaking Regarding Malware Standard - January 13 - The Foundation for Resilient Societies submitted to FERC a <u>Petition for Rulemaking</u> asking FERC to order NERC to set an enhanced standard for malware detection, reporting, mitigation and removal. The Petition states the current NERC Reliability Standards are lacking in terms of malware protection and suggests technical elements that an enhanced malware standard might include.



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Selected Regional Compliance / Training Events

<u>March 2017</u>

- 22 <u>WECC Reliability</u> <u>Assurance Workshop</u>
- 28-29 <u>SERC Spring Compliance</u> <u>Seminar</u>
- 28-29 Spring SPP RE Workshop

28-30 <u>WECC Compliance</u> <u>Workshop</u>

NERC

NERC Comments on FERC Notice of Proposed Rulemaking - January 24 – NERC submitted <u>comments in</u> <u>support</u> of FERC's Notice of Proposed Rulemaking (NOPR) proposing revisions to the Commission's rules and regulations on primary frequency response. NERC's comments state that FERC's proposed revisions to the *pro forma* Large Generator Interconnection Agreement and the *pro forma* Small Generator Interconnection Agreement would be consistent with NERC reliability assessments and help ensure sufficient frequency response. NERC stated that it is still too soon for NERC to determine whether it is necessary or appropriate to revise Reliability Standards to impose primary frequency response requirements on existing generation resources.

NERC Submits Informational Filing on Load-Serving Entities - January 17 - NERC submitted an <u>informational filing</u> in response to a 2015 FERC order approving a NERC proposal to remove the loadserving entity (LSEs) as a functional registration category from the NERC Compliance Registry. As directed by FERC in the 2015 order, NERC provided FERC with (i) an update on the process of transferring commercial-related requirements covered by retired Reliability Standard INT-011, the only Reliability Standard solely applicable to LSEs, to commercial standards issued by the North American Energy Standards Board, and (ii) a follow-up analysis NERC performed to assess whether the removal of LSEs affects transmission operators and balancing authorities' ability to conduct accurate next-day studies.

About Us

The Van Ness Feldman Electric Reliability Update is published by <u>Malcolm McLellan, Van Smith, Gabe</u> <u>Tabak, Darsh Singh, Tyler Elliott</u>, and <u>Michael Weiner</u>. <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 206.829.1814 or 202.298.1800 for additional information. Click <u>here</u> to sign up for the Reliability Update. Follow us on Twitter @VANNESSFELDMAN

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