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Dates & Events

March 2017

- 21 2017 Reliability
 Leadership <u>Summit</u>
 (Washington D.C)
- 28-29 Sixth Annual Human
 Performance
 Conference and
 Workshops (Atlanta)
- Reactive Power
 Planning Guideline
 Webinar

April 2017

Comments due on FERC NOPR for proposed standard PRC-012-2 - Remedial Action Schemes.

Electric Reliability Update

MARCH 17, 2017

FERC

FERC Approves Retirement of WECC Regional Standard on System Operating Limits - March 10 - FERC approved a joint petition of NERC and the Western Electricity Coordination Council (WECC) to retire regional Reliability Standard TOP-007-WECC-1a (System Operating Limits). The retirement would shift away from the path-centric model and allow entities in the Western Interconnection to align their operating practices with framework established in the continent-wide TOP/IRO Reliability Standards approved in Order No. 817.

FERC Requests Data in Response to Proposed Standard Revisions - March 7 - FERC issued a <u>data request</u> to NERC relating to its petition for approval of revised Reliability Standards BAL-005-1 (Balancing Authority Control) and FAC-001-3 (Facility Interconnection Requirements), which FERC has proposed to approve. The data request asks NERC about the current practices of a representative sample of entities potentially affected by the proposed revisions to the Reliability Standards. Specifically, FERC is seeking the following additional information about balancing authorities, reliability coordinators, and transmission operators:

- "Does the identified entity have backup power supplies at its primary control center(s), its backup control center(s) and other critical locations? Briefly describe what types of backup power supplies are in each location, how long these supplies will provide power, what level of service the backup power supplies support, and how the entity has determined what locations warrant backup power supplies and the performance requirements for those supplies".
- 2. "For each location identified above, how often and when were backup power supplies tested, including testing of switchover (i.e., from primary power supply to backup power supply), during 2016? What are the procedures for testing, and how are the tests documented"?

FERC Approves Amendments to FRCC Regional Reliability Manual - March 3 - FERC issued a letter order approving amendments to the Florida Reliability Coordinating Council's (FRCC) Regional Reliability Standard Development Process Manual (SDPM). The changes, filed by NERC on FRCC's behalf, comprehensively revise the SDPM, clarifying the standards development process and making the SDPM consistent with those of NERC and other regional entities.

NERC

NERC and WECC Seek Approval of Proposed Regional Reliability Standard on Power System
Stabilizers - March 10 - NERC and WECC submitted a joint petition to FERC seeking approval of proposed regional Reliability Standard VAR-501-WECC-3 (Power System Stabilizers). The proposed Standard will help ensure the Western Interconnection operates in a coordinated manor under normal and abnormal conditions by establishing performance criteria for power system stabilizers, and would require WECC Generator Owners and Operators to: (1) provide Transmission Operators with procedures or other documents that inform the Transmission Operator of when a power system stabilizer will be out of service; (2) have the power system stabilizer in service at all times except during specific circumstances; (3) tune power system stabilizers to stated criteria; (4) install and complete start-up testing of a power system stabilizer; and (5) repair or replace a power system stabilizer within a specified time period.

NERC Signs Memorandum of Understanding With Mexican Reliability Regulators - March 8 - Mexico's Comisión Reguladora de Energía (CRE) and the Centro Nacional de Control de Energía (CENACE) signed a memorandum of understanding (MOU) with NERC that establishes a collaboration mechanism between the Parties to strengthen their respective regulatory and technical capacities. The MOU identifies as initial topics of collaboration the identification and assessment of risks related to critical infrastructure protection and cyber and physical security; the assessment of reliability performance and risks; the development of



NERC Balloting & Comment Deadlines

<u>April 2017</u>

- 11 <u>Comments Due:</u> Project 2016-02 – Modifications to CIP Standards – Virtualization
- 11 Comments Due: Project
 2016-02 Modifications to
 CIP Standards —
 Transmission Owner
 Performing Transmission
 Operator Obligations
- 13 <u>Comments Due:</u> Project 2016-EPR-02 – Enhanced Periodic Review of VAR Standards – Template for VAR-001-4.1
- 13 <u>Comments Due:</u> Project 2016-EPR-02 – Enhanced Periodic Review of VAR Standards – Template for VAR-002-4

practices, tools and techniques for analysis of system events and management of reliability risks identified as a result of system events; and strengthening technical and regulatory capacities.

NERC Seeks Approval of Proposed Reliability Standards on Transmission Monitoring and Data Exchange - March 6 - NERC filed with FERC a petition for approval of proposed reliability standards IRO-002-5 (Reliability Coordination – Monitoring and Analysis) and TOP-001-4 (Transmission Operations). The proposed standards would require Transmission Operators to monitor non-Bulk Electric System facilities for potential System Operating Limit exceedances, would direct Transmission Operators and Balancing Authorities to have redundant and diversely routed real-time data exchange capabilities within the entity's primary control center, and would require those data exchange capabilities to be tested on a regular basis.

NERC Files Amendments to Texas Reliability Entity Bylaws and Standard Development Process - March 6 - NERC filed with FERC <u>a petition</u> seeking to amend the Texas Reliability Entity Inc.'s (Texas RE) bylaws and Standard Development Process (SDP). The proposed changes would restructure the Texas RE's committee structure for administrative efficiency and to ensure balanced representation on the compensation committee, and would reflect these changes (as well as clarifications and updated language) in the SDP.

NERC Submits Informational Filing on TRE's Primary Frequency Response Reference Document - March 6 - NERC submitted to FERC an <u>informational filing</u> providing revisions to Texas Reliability Entity, Inc.'s (TRE) Primary Frequency Response Reference Document (Document) included in regional Reliability Standard BAL-001-TRE-1 (Primary Frequency Response in the ERCOT Region). The Document provides the methodology for determining the Primary Frequency Response performance for individual resources. NERC's revisions reflect proposed amendments to the TRE Bylaws and the TRE Standards Development Process that eliminate the TRE Reliability Standards Committee and transfer its duties to the TRE Member Representatives Committee.

NERC Seeks Approval of Cybersecurity Management Controls Standard - March 3 - NERC filed with FERC a petition for approval of proposed reliability standard CIP-003-7 (Cybersecurity Management Controls). The proposed standard would address certain FERC directives in Order No. 822, issued in 2016, by clarifying electronic access control requirements for low impact Bulk Electric System Cyber Systems, adding requirements for protection of transient electronic devices (such as flash drives) used on these systems, and requiring entities subject to the standard to maintain a documented cyber security policy for declaring and responding to CIP Exceptional Circumstances for these systems.

NERC Reliability Standards to become Effective April 1st - The <u>following standards become enforceable</u> on April 1st, 2017, unless otherwise noted:

- <u>Emergency Preparedness and Operations (EOP)</u>: EOP-004-3 (Event Reporting); EOP-011-1 (Emergency Operations)
- <u>Facilities Design, Connections, and Maintenance (FAC)</u>: FAC-010-3 (System Operating Limits Methodology for the Planning Horizon); FAC-011-3 (System Operating Limits Methodology for the Planning Horizon)
- Interconnection Reliability Operations and Coordination (IRO): IRO-001-4 (Reliability
 Coordination Responsibilities); IRO-002-4 (Reliability Coordination Monitoring and Analysis);
 IRO-008-2 (Reliability Coordinator Operational Analyses and Real-Time Assessments); IRO-014-3
 (Coordination Among Reliability Coordinators); IRO-017-1 (Outage Coordination)
- Modeling, Data, and Analysis (MOD): MOD-029-2a (Rated System Path Methodology); MOD-030-3 (Flowgate Methodology)
- <u>Protection and Control (PRC)</u>: PRC-004-5(i) (Protection System Misoperation Identification and Correction)(April 2, 2017 effective date); PRC-004-WECC-2 (Protection System and Remedial Action Scheme Misoperation); PRC-010-1 (Undervoltage Load Shedding) and PRC-010-2 (April 2 effective date); PRC-015-1 (Remedial Action Scheme Data and Documentation); PRC-016-1



Selected Regional Compliance / Training Events

March 2017

- 28-29 <u>SERC Spring Compliance</u> <u>Seminar</u>
- 28-29 Spring SPP RE Workshop
- 28-30 <u>WECC Compliance</u> Workshop

<u> April 2017</u>

- 18 TRE Spring Standards and Compliance Workshop
- 18 <u>RFC Reliability</u> <u>Workshop</u>

- (Remedial Action Scheme Misoperations); PRC-017-1 (Remedial Action Scheme Maintenance and Testing); PRC-023-4 (Transmission Relay Loadability);
- <u>Transmission Operations (TOP)</u>: TOP-001-3 (Transmission Operations); TOP-002-4 (Operations Planning).

Cybersecurity and Grid Security

Cyber Resilient Energy Delivery Consortium to Hold Industry Workshop - February 27 - Funded by the Department of Energy's Office of Electricity Delivery and Energy Reliability and the Department of Homeland Security's Science and Technology Directorate, the Cyber Resilient Energy Delivery Consortium (CREDC) is hosting its <u>Industry Workshop</u> focused on research on cybersecurity and cyber-resiliency for the electric power and oil and gas industries. The Workshop, taking place in Tempe, AZ on March 27-29, 2017, will highlight current and future research opportunities and allow participants to engage with CREDC researchers.

Congress

House and Senate Introduce State Cyber Resiliency Act - March 2 - Senator Mark Warner (D-VA) and Representative Derek Kilmer (D-WA) introduced the State Cyber Resiliency Act in the <u>United States</u>

Senate and <u>House of Representatives</u> respectively. The Act would establish a State Cyber Resiliency Grant Program (Program) to assist State, local and tribal governments in preparing for and responding to cyber threats. Under the Program, States would submit Cyber Resiliency Plans that meet certain criteria to enhance preparation, response, and communication against cybersecurity threats. The Act has been referred to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Transportation and Infrastructure.

About Us

The Van Ness Feldman Electric Reliability Update is published by Malcolm McLellan, Suzanne McBride, Van Smith, Gabe Tabak, Darsh Singh, Tyler Elliott, and Michael Weiner. Van Ness Feldman counsels, advises and trains a wide range of clients on reliability matters. Please email us or call us at 206.829.1814 or 202.298.1800 for additional information. Click here to sign up for the Reliability Update. Follow us on Twitter @VANNESSFELDMAN

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