



Dates & Events

September 2015

- 29-30 [Monitoring and Situational Awareness Technical Conference](#), Austin, TX
- 30-Oct.1 [Fault Induced Delayed Voltage Recovery](#) workshop, Alexandria, VA

October 2015

- 1 Standards become effective: [CIP-014-1](#); [PRC-006-2](#); [COM-001-2](#)
- 2 Standard [CIP-014-2](#) becomes effective
- 13-16 [GridSecCon 2015](#), Philadelphia, PA
- 15 NERC Webinar – [Extreme Physical Events](#)
- 20-22 2015 [Standards and Compliance Fall Workshop](#), San Diego, CA

Electric Reliability Update

SEPTEMBER 25, 2015

FERC

FERC Approves Reliability Standard PRC-005-4 - September 17 - [FERC approved NERC's revised Reliability Standard PRC-005-4](#) (Protection System, Automatic Reclosing and Sudden Pressure Relaying Maintenance). FERC also approved new and revised definitions as well as assigned violation risk factors and severity levels. The proposed Reliability Standard requires entities to test certain sudden pressure relays as part of a protection system maintenance program. [FERC published notice of its final rule in the Federal Register on September 24](#), and the rule will become effective on January 1, 2016.

FERC Approves Disturbance Monitoring and Reporting Requirements Reliability Standard - September 17 - FERC issued a [Final Rule](#) approving Reliability Standard PRC-002-2 (Disturbance Monitoring and Reporting Requirements), which will require adequate data be available to facilitate the analysis of disturbances in the bulk electric system. The Reliability Standard consolidates the requirements of Reliability Standard PRC-002-1 (unapproved) and Reliability Standard PRC-018-1, which was retired by the Final Rule. This rule will become effective on July 1, 2016.

FERC Proposes to Amend Availability of Certain NERC Databases - September 17 - [FERC proposed to amend its regulations](#) to require NERC to provide access to the Transmission Availability Data System, the Generating Availability Data System, and the protection system misoperations databases. Access will be limited to data regarding U.S. facilities and will assist FERC in determining the need for Reliability Standards and aid in understanding NERC's reliability assessments. Comments will be due 60 days after publication in the Federal Register.

FERC Proposes to Approve Relay Performance Reliability Standard - September 17 - FERC proposed [to approve Reliability Standard PRC-026-1](#) (Relay Performance During Stable Power Swings), which would ensure that protective relay systems can properly determine the difference between faults and stable power swings. Furthermore, FERC specified that it may direct NERC to modify the Reliability Standard based on its response to the potential burden of modifying the applicability of the Reliability Standard to include relays with a time delay of 15 seconds. [Comments](#) are due November 23, 2015.

NERC

NERC Releases Annual Find, Fix, Track and Report Program - September 18 - [NERC submitted to FERC its annual filing of the Find, Fix, Track and Report \(FFT\) program](#). The FFT program has been an important part of NERC's risk-based Compliance Monitoring Enforcement Program since its implementation in 2011.

NERC Releases Statement on FERC Open Meeting Actions - September 17 - NERC [published a statement](#) addressing the actions undertaken by FERC at its Open meeting, which included approving two Reliability Standards addressing bulk electric system disturbances and protection system maintenance, and proposing to approve a third Reliability Standard relating to relay performance.

NERC Petition for Approval of Amendments to SPP Bylaws - September 16 - NERC [submitted to FERC a petition for approval](#) of Amendments to Exhibit B to the Delegation Agreement with the Southwest Power Pool, Inc. (SPP). The amendments to the SPP Delegation Agreement increase the number of SPP's Board of Directors from seven seats to ten, and modify the voting requirements to a majority plus one. NERC determined that no reliability-related issues were raised by the amendments.

NERC Petitions for Approval of Proposed Reliability Standard IRO-006-East-2 and IRO-009-2 - September 16 - NERC [petitioned FERC for approval](#) of Reliability Standards IRO-006-EAST-2

NERC Balloting & Comment Deadlines

September 2015

- 25 [Comments Due](#): Project 2010-14.2.1 - Phase 2 of Balancing Authority Reliability-based Controls - BAL-006
- 28 [Comments Due](#): Project 2010-07.11 – Vegetation Management – FAC-00303

October 2015

- 5 [Additional Ballot and Non-binding Polls and Comments Due](#): Project 2010-05.3 - Phase 3 of Protection Systems: Remedial Action Schemes (RAS) – PRC-012-2

Selected Regional Compliance / Training Events

September 2015

- 28-29 [SERC CIP Compliance Seminar](#)
- 29-30 [RFC Fall Reliability Workshop](#)
- 30-10/1 [SPP Quarterly Compliance Forum](#)

October 2015

- 6 [TRE Compliance 101](#)

(Transmission Loading Relief Procedure for the Eastern Interconnection) and IRO-009-2 (Reliability Coordinator Actions to Operate with IROs). Both proposed standards improve on existing versions, which were recommended for revision in NERC Project 2012-09 but not retired in Project 2014-03. The previous versions of these standards will be retired upon FERC approval.

NERC Answer to Edison Electric Institute’s Motion to Vacate - September 15 - Edison Electric Institute (EEI) had [requested that FERC vacate](#) “in their entirety” the December 2013 and February 2014 Orders in which FERC approved Peak Reliability as the Reliability Coordinator for the Western Interconnection, contending Peak Reliability provides no “ongoing value to stakeholders or the public.” NERC argued in its filing that EEI’s request for vacatur was too broad, and that it would be more efficient for FERC to limit vacatur of the December 2013 and the February 2014 Orders to exclude FERC’s approval of the WECC Regional Delegation Agreement and the termination agreement between WECC and the NPCC.

NERC Seeks Approval of Amendments to SERC Delegation Agreement - September 14 - In a [petition to FERC](#), NERC requested approval of amendments to Exhibit B to the Delegation Agreement with SERC Reliability Corporation. NERC indicates that the amendments do not cause any issues relating to reliability, and are concerned with membership requirements for potential new entities and clarification of the membership, appointment, and duties of SERC Board Advisors.

NERC, SERC Answer Complaint on Notice of Penalty – September 10 – NERC and SERC [responded to a complaint](#) against them filed by Eric S. Morris, which alleges that NERC and SERC violated the Sanction Guidelines in the NERC Full Notice of Penalty for the settlement between SERC and Entergy Services, Inc. when it did not “clearly identify that an alternative frequency or duration was used in determining the penalty and [provided] no supporting rationale.” NERC and SERC, however, have requested that FERC dismiss the Complaint based on its decision not to further review the Notice of Penalty and alleged that the Complaint exceeds the statutory authority of section 306 of the Federal Power Act, the Complainant lacks standing to initiate a review and did not provide proper evidence, and that the Notice of Penalty was consistent with section 215 of the Federal Power Act, the NERC Rules of Procedure, and the Sanction Guidelines.

NERC Releases 2016 Compliance Monitoring and Enforcement Implementation Plan - September 10 - NERC published its 2016 ERO Enterprise [Compliance Monitoring and Enforcement Program \[\(CMEP\) Implementation Plan\]](#). The plan consolidates NERC’s and the Regional Entities’ CMEP implementation plans. The consolidated plan, which began in 2014, eliminates redundant information, improves transparency of CMEP activities, and promotes consistency among the Regional Entities.

Cybersecurity and Grid Security

NERC Cyber Risk Preparedness Assessment Released - September - NERC released its annual “Lessons Learned” cybersecurity report detailing results in customized simulations and exercises conducted in 2014 to assess the vulnerabilities in critical infrastructure, and gain a better understanding of industry cybersecurity capabilities. Consistent with previous years’ reports, the 2015 assessment shows the level of cyber preparedness to be adequate to mitigate low and mid-level threats, but may not be suitable to defend against “sophisticated, well-funded adversaries targeting specific BPS elements.”

Congress

Upton Introduces North American Energy Security and Infrastructure Act of 2015 - September 16 - The [North American Energy Security and Infrastructure Act of 2015 \(H.R. 8\)](#) was introduced and referred to the House Committee on Energy and Commerce. The bill was scheduled to be marked up by the Committee on September 17, but was pulled from markup by Committee Chairman Fred Upton (R-MI), who also introduced the legislation. The bill would address grid security, the power of the Secretary to establish emergency measures during a grid security emergency, sharing of critical electric infrastructure information, and the viability of a Strategic Transformer Reserve in the event of a major disturbance to the electric grid.

Comprehensive Energy Bill Placed on Senate Calendar - September 9 - The [Energy Policy Modernization Act of 2015 \(S. 2012\)](#) was placed on the Senate Legislative Calendar for consideration by

the full Senate after being reported out of the Senate Committee on Energy and Natural Resources by a bipartisan vote of 18-4 on July 30. The bill, sponsored by Committee Chairman Lisa Murkowski (R-AK) and Ranking Member Maria Cantwell (D-WA), includes provisions on Efficiency, Infrastructure, Supply, Accountability, and Conservation and Reauthorization. The bill would amend section 215 of the Federal Power Act to require FERC to solicit reliability impact statements from any affected Regional Entities (REs) no later than 15 days after a major rule is proposed by a Federal agency that "may affect the reliable operation of the bulk-power system." In the event that a major proposed rule affects multiple REs, a committee made up of each affected RE will produce a single consolidated reliability impact statement that illustrates the reliability impact for each affected area.

Regional Developments

2015 Annual Report to the SERC Engineering Committee - September - The SERC Engineering Committee's Reliability Review Subcommittee has [released its annual report on future reliability and system performance](#). The report analyses four main subjects: Demand and Energy, Capacity Resources, Reserve Margin, and Transmission. The 2015 report shows the fourth year of expected decline in actual peak demand and forecasted peak demand; however, the implementation of the Clean Power Plan could impact data across all four main subjects.

ReliabilityFirst Releases Long Term Resource Assessment - August - ReliabilityFirst [released its Long Term Resource Assessment](#) providing information on the projected resource adequacy for the 2015 through 2024 period across the PJM and MISO market areas. The assessment explains findings in demand growth rates, net capacity resources, and reserve margins and highlights that capacity is not growing as quickly as demand, and, as a result, reserve margins are declining. The assessment also notes that compliance with new environmental regulations could reflect significant retirements in the PJM and MISO areas.

Other Developments

NERC Releases Analysis of Washington, D.C. System Disturbance - September 16 - NERC published a [report](#) detailing the cause of a system disturbance in the Washington, D.C. area on April 7, 2015, which lasted approximately 58 seconds and resulted in approximately 532 MW of customer load lost. The report concludes that the fault was "due to the failure of a surge arrester on the C-phase of the 230 kV circuit at the Ryceville substation" owned by Pepco, and was sustained because a breaker at a different Pepco substation failed to reopen as designed. The report also details recommendations from NERC in the wake of the incident subsequent actions taken by Pepco.

DOE Transmission Reliability Peer Review Materials Made Available - September 16 - [Presentations from the 2015 Reliability & Markets Peer Review \(Program\) are available for download](#). The Program, held on August 4-5, researches and implements electricity infrastructure and market simulations to help ensure electric reliability.

About Us

The Van Ness Feldman Electric Reliability Update is published by [Andrew Art](#), [Malcolm McLellan](#) and [Gabe Tabak](#), with assistance from [Ilan Gutherz](#), [Van Smith](#), 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 202.298.1817 or 206.829.1814 for additional information. Click [here](#) to sign up for the Reliability Update.

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