



Dates & Events

December 2017

- 26 [Comments due](#) to FERC on Cyber Security – Security Management Controls NOPR

January 2018

- 19 Due date for comments to [NIST Framework draft](#)
- 22 Due date for comments on [FERC NOPR](#) re: revisions to PRC-027-1 and PER-006-1

Electric Reliability Update

DECEMBER 22, 2017

FERC

FERC Issues Draft NOPR on Cyber Security Incident Reporting – December 21 – FERC issued a [Notice of Proposed Rulemaking](#) (NOPR), which if adopted would instruct NERC to modify its Critical Infrastructure Protection (CIP) reliability standards to heighten reporting requirements for cybersecurity incidents. The NOPR proposes identifying the types of incidents for which an entity must submit reports more expansively, as well as increasing the information in each report to allow for easier comparison and analysis. Reports would have to be submitted to the Electricity Information Sharing and Analysis Center (E-ISAC) and Department of Homeland Security Industrial Control Systems Cyber Emergency Response Team (ICS-CERT). The NOPR would also require NERC to file an annual, anonymized report with FERC aggregating the reported information. Comments will be due to FERC within 60 days of the NOPR's publication in the Federal Register.

NERC

Reliability Standards with a January 1, 2018 Effective Date

The following standards have an effective date of January 1, 2018:

- [BAL-002-2 – Disturbance Control Standard – Contingency Reserve for Recovery from a Balancing Contingency Event](#) – ensures the Balancing Authority or Reserve Sharing Group balances resources and demand, and returns the Balancing Authority's or Reserve Sharing Group's Area Control Error to defined values (subject to applicable limits) following a Reportable Balancing Contingency Event.
- [BAL-502-RF-03 – Planning Resource Adequacy Analysis, Assessment and Documentation](#) – establishes common criteria, based on “one day in ten year” Loss of Load Expectation principles, for the analysis, assessment and documentation of Resource Adequacy for Load in the ReliabilityFirst region.
- [PRC-006-SERC-02 – Automatic Underfrequency Load Shedding Requirements](#) - establishes consistent and coordinated requirements for the design, implementation, and analysis of automatic underfrequency load shedding programs among all SERC applicable entities.
- [PRC-026-1 – Relay Performance During Stable Power Swings \(Requirement 1\)](#): - Requirement 1 has a January 1 enforcement date (requirements R2, R3, R4 are enforceable on 1/1/2020). Requirement 1 requires each Planning Coordinator to, at least once each calendar year, provide notification of each generator, transformer, and transmission line BES Element in its area that meets one or more of the following criteria, if any, to the respective Generator Owner and Transmission Owner:
 - 1. Generator(s) where an angular stability constraint exists that is addressed by a System Operating Limit (SOL) or a Remedial Action Scheme (RAS) and those Elements terminating at the Transmission station associated with the generator(s).
 - 2. An Element that is monitored as part of an SOL identified by the Planning Coordinator's methodology based on an angular stability constraint.
 - 3. An Element that forms the boundary of an island in the most recent underfrequency load shedding design assessment based on application of the Planning Coordinator's criteria for identifying islands, only if the island is formed by tripping the Element due to angular instability.

NERC Balloting & Comment Deadlines

January 2018

- 9 [Comments Due:](#)
Project 2017-07 –
Standards Alignment
with Registration –
Standards
Authorization Request
- 29 [Comments Due:](#)
Project 2017-05 – NUC-
001-3 Periodic Review
– Preliminary Team
Recommendation

- 4. An Element identified in the most recent annual Planning Assessment where relay tripping occurs due to a stable or unstable power swing during a simulated disturbance.

NERC Releases 2017 Long-Term Reliability Assessment - December 14 - NERC released its [2017 Long-Term Reliability Assessment](#), providing a perspective of the generation, resources, and transmission system adequacy needed over the next decade. While most reserve margins across North America are adequate through 2022, the assessment found that, among other things, growth in electricity demand is at its lowest rate on record, and recent retirements of coal generation and canceled nuclear expansion results in reserve margins that drop below reference margin levels beginning in 2018.

NERC Penalty Activity - November 30 - NERC filed with FERC a [spreadsheet notice of penalty](#) resolving 4 violations of 3 Reliability Standards totaling \$181,000 in penalties.

Chief Security Officer Leaves NERC - November 27 - NERC released an [announcement](#) that its senior vice president and security chief officer, Marc Sachs, resigned. NERC will conduct a search for a new chief security officer but, in the meantime, Tim Roxey and Bill Lawrence will serve in the interim. Tim Roxey is currently a NERC vice president and chief operations officer for NERC's E-ISAC and Bill Lawrence is a NERC senior director with the E-ISAC. Roxey and Lawrence will be sharing responsibility for the position.

Cybersecurity

Cybersecurity and Infrastructure Security Agency Act Passes House - December 11 - The House of Representatives passed the [Cybersecurity and Infrastructure Security Agency Act of 2017](#) and has referred it to the Senate Committee on Homeland Security and Governmental Affairs. The bill (H.R. 3359), first introduced by Representative Michael McCaul (R-TX), would amend the Homeland Security Act of 2002 to designate the Department of Homeland Security's National Protection and Programs Directorate as the Cybersecurity and Infrastructure Security Agency (CISA). CISA would lead the efforts to protect and enhance the security of U.S. cybersecurity, emergency communications, and critical infrastructure.

NIST Releases Second Draft of Cybersecurity Framework - December 5 - The National Institute of Standards and Technology (NIST) released the second draft of the proposed update to the [Framework for Improving Critical Infrastructure Cybersecurity](#). The second draft aims to clarify and enhance the Cybersecurity Framework to provide an effect tool to help organizations better manage their cybersecurity risks. Specifically, the update:

- Enhances guidance for applying the Cybersecurity Framework to supply chain risk management;
- Summarizes the relevance and utility of Cybersecurity Framework measurement for organizational self-assessment;
- Better accounts for authorization, authentication, and identity proofing; and
- Updates the Informative References.

Congress

Next Generation Grid Act Introduced in Senate - December 14 - Senator Angus King (I-ME) introduced the [Next Generation Grid Resources and Infrastructure Development \(GRID\) Act](#) to the Senate Committee on Energy and Natural Resources. The bill would amend the Public Utility Regulatory Policies Act of 1978 to modernize the electric grid by integrating distributed energy resources using federal resources to establish criteria that properly reflects the needs of each state.

Regional Developments

Peak Reliability and PJM Connex to Explore Markets in the West - December 7 - Peak Reliability (Peak) and PJM Connex, a subsidiary of PJM Interconnection, have agreed to [jointly explore reliability services](#) and markets in the West. The partnership seeks to combine Peak's Western Interconnection model with PJM's cost-effective services for system operation. Peak and PJM Connex have begun to review potential reliability services, market design, and organization structure and are expected to issue a report on the review by the end of March 2018.

About Us

The Van Ness Feldman Electric Reliability Update is published by [Malcolm McLellan](#), [Suzanne P. Keppeler](#), [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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