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Dates & Events

May 2016

- 23 Comments due on
 Notice of Proposed
 Rulemaking:
 Requirements for
 Frequency and Voltage
 Ride Through
 Capability of Small
 Facilities
- 23 <u>Reliability Standard</u> <u>PRC-026-1</u> becomes effective

June 2016

- 1 FERC <u>Technical</u>
 <u>Conference</u> Policy
 Issues Related to
 Reliability of BulkPower System
- 25 Eight modified <u>Critical</u>
 <u>Infrastructure</u>
 <u>Protection Reliability</u>
 <u>Standards</u> become
 effective
- 30 <u>FERC Workshop</u> Reactive Supply and Voltage Control

Electric Reliability Update

MAY 23, 2016

FERC

NOPR to Approve Disturbance Control Standard - May 19 - FERC proposes to approve Reliability Standard BAL-002-2 (Disturbance Control Standard—Contingency Reserve for Recovery from a Balancing Contingency Event). Proposed Reliability Standard BAL-002-2 is designed to ensure that applicable entities balance resources and demand and return their Area Control Error to defined values following a Reportable Balancing Contingency Event. In addition, the NOPR proposes to require NERC to modify Reliability Standard BAL-002-2 to address concerns related to the possible extension or delay of the periods for Area Control Error recovery and contingency reserve restoration. The NOPR also proposes to direct NERC to address a reliability gap regarding megawatt losses above the most severe single contingency.

Summer 2016 Energy Market and Reliability Assessment – May 19

- FERC staff presented its <u>Summer 2016 Energy Market and</u>
<u>Reliability Assessment</u>. With the exception of potential problems in

southern California (see next article), the staff report did not raise any red flags with respect to the performance of energy markets this summer.

FERC Briefing on Impacts of Shutting Down Aliso Canyon Storage – May 19 – The Commission was briefed on activities in southern California and surrounding areas to address potential energy market impacts in the wake of the shutdown of the Aliso Canyon storage facility due to a natural gas leak. Presentations: SoCalGas, CAISO, SoCal Edison, LA Dept. Water and Power, Peak Reliability.

Letter Order Accepting MRO SPM Amendments - May 6 - <u>FERC issued a letter order</u> accepting proposed amendments to Midwest Reliability Organization's (MRO) Regional Reliability Standards Process Manual. The amendments reduce MRO's costs by allowing more voting flexibility, while also correcting administrative errors.

NERC

NERC Releases 2016 State of Reliability Report - May 17 - NERC released its <u>annual "State of Reliability"</u> report for 2016. The report highlights a well performing bulk power system, while identifying key areas for improvement of reliability and resiliency.

NERC President to Speak at CAMPUT Program - May 16 - NERC president and CEO <u>Gerry Cauley will take part in the Canadian Association of Members of Public Utility Tribunals (CAMPUT) meeting</u> to facilitate a cross-border discussion among industry stakeholders, policymakers, and electricity consumers. Cauley will participate in a panel entitled, "Ensuring the Resiliency of the Grid."

Petition of NERC for Approval of Revised Definition of Special Protection System - May 11 - NERC submitted a proposed revised definition of the term "Special Protection System" in the NERC Glossary. In its petition, NERC asserts that the existing definition does not represent the transition from the term "Special Protection System to "Remedial Action Scheme" which was initiated by NERC in 2014.

NERC Submits Budgetary Compliance Filing - May 13 - <u>NERC submitted to FERC a compliance</u> <u>filing</u> pursuant to a January 16, 2013 FERC Order, reporting its budget-to-actual variance information for the first quarter of 2016. Through March 31, 2016, NERC was \$186,000 under budget, but projects to be approximately \$428,000 over budget at the end of the year due to year-end variances.

NERC Balloting & Comment Deadlines

May 2016

- 26 Final Ballots Due: Project 2007-06.2 – Phase 2 of System Protection Coordination – PER-006-1 and 2 Proposed Modified Definitions
- 26 <u>Comments Due</u>: Cost Effectiveness Pilot

<u>June 2016</u>

13 <u>Comments Due</u>: Project 2013-03 – Geomagnetic Disturbance Mitigation – TPL-007-1



Selected Regional Compliance / Training Events

May 2016

24-25 SPP CIP RE Workshop

NERC Board Adopts Three Standards Projects - May 5 - <u>The NERC Board of Trustees adopted three standards projects</u>, Real-time Reliability Monitoring and Analysis Capabilities, Phase 3 of Protection Systems: Remedial Action Schemes (PRC-o12-2), and Phase 3 of Protection Systems: Remedial Action Schemes (Revised Definition of Special Protection System). The NERC board also retired one regional standard, Disturbance Monitoring (PRC-o02-NPCC-o1).

NERC Submits Doc-less Motion - May 2 - <u>NERC submitted to FERC</u> a doc-less motion to intervene in the California Independent System Operator Corporation's request to FERC to accept tariff revisions and incorporate terms and conditions for compliance with Reliability Standard BAL-003-1.1.

Congress

FERC Director of OIES testifies before House of Representatives - May 17 - Joseph McClelland, the Director of FERC's Office of Energy Infrastructure Security (OIES) <u>testifies before the House Homeland Security Committee</u>, <u>Subcommittee</u> on <u>Oversight and Management Efficiency</u>. The topic of his discussion was the electromagnetic threats to the electric grid in the United States and the Federal government's efforts to mitigate such risks.

About Us

The Van Ness Feldman Electric Reliability Update is published by Malcolm McLellan, Ilan Gutherz, 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.

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