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Dates & Events

<u>April 2015</u>

- 16 Industry Webinar –

 <u>Uncoordinated Protection</u>

 <u>Systems</u>
- 21-23 CIPv5 Workshop and Small Group Advisory Session, Atlanta, GA (<u>in-person</u> and <u>online</u> attendance)
- Industry Webinar <u>Review of</u> <u>Lessons Learned</u>

May 2015

- 6-7 NERC <u>Board of Trustees</u> <u>Meeting</u>, Arlington, VA
- 21 Industry Webinar –

 <u>Monitoring and Situational</u>

 Awareness

NERC Balloting & Comment Deadlines

April 2015

- 9 <u>Initial Ballot and Non-Binding Poll Closes and Comments Due</u>: Project 2014-04 Physical Security CIP-014-2
- 10 Comments Due: Project 2007-17.4 – PRC-005 Order No. 803 Directive – SAR

Electric Reliability Update

APRIL 9, 2015

FERC

FERC Issues Letter Order on SPP Delegation Agreement – March 31 – FERC issued a <u>letter</u> <u>order approving NERC amendments to the SPP Delegation Agreement to revise the SPP bylaws.</u>

FERC Errata Notice on Risk-based Registration Initiative Order – March 25 – FERC issued an <u>Errata Notice</u> for its March 19 Order on NERC's Risk-based Registration Initiative.

Southwest Power Administration Reliability Penalty Set Aside – March 24 – FERC issued an Order on Remand that set aside the penalty imposed by NERC against the Southwest Power

Administration (SWPA). Last summer, the U.S. Court of Appeals for the D.C. Circuit issued a decision that vacated FERC's decision to uphold the penalty imposed on SWPA. On appeal, the D.C. Circuit agreed with the arguments presented by SWPA, the Department of Energy, and the Department of Interior, which claimed that Section 215 of the Federal Power Act did not contain language waiving their sovereign immunity and, therefore, imposition of monetary penalties against governmental agencies like SWPA were not authorized under the governing statute. FERC's recent order vacates the penalties, consistent with the D.C. Circuit's order.

NERC

NERC Submits 2015 Directives Report – March 31 – NERC submitted its 2015 <u>Directives Report</u> to FERC under Docket No. RR09-6-003. The report, which must be submitted annually, addresses NERC's progress on all regulatory directives it has received. The 2015 report summarizes NERC's progress and outlines its plans for addressing outstanding Reliability Standards-related directives.

NERC Penalty Activity – March 31 – NERC <u>filed with FERC</u> a spreadsheet notice of penalty resolving 23 violations of 12 standards. Separately, on March 27 <u>FERC announced</u> that it would not review three Notices of Penalty from February 2015.

Cybersecurity and Grid Security

Executive Order Blocking Assets of Cybercriminals Issued – April 1 – President Obama signed Executive Order 13694, "Blocking the Property of Certain Persons Engaging in Significant Malicious Cyber-Enabled Activities." The EO bars the transfer of property for any person determined by the Secretary of the Treasury (in consultation with the Attorney General and Secretary of State) to be engaged in activities contributing to a security threat. The list of activities qualifying for blocking includes any harming or compromising of critical infrastructure sectors, including the energy sector.

The Department of Energy (DOE) Issues Cybersecurity Research Call – March 27 – DOE's National Energy Technology Laboratory, on behalf of DOE's Office of Electricity Delivery and Energy Reliability, issued a <u>research call</u> regarding Cybersecurity for Energy Delivery Systems. The research call, which is only applicable to DOE and federal laboratories, outlines eight topic areas, including cybersecurity for distributed energy resources, distribution-level devices, forecast data, and cloud use in energy delivery.

Congress

Senate Advances Cybersecurity Amendment – March 27 – The <u>Coates-Warner</u>

<u>Amendment</u> (Amendment 595) to the 2016 <u>Congressional Budget Resolution</u> (S. Con. Res. 11), which establishes a deficit-neutral reserve account to be available for future legislation aimed at increasing the sharing of cybersecurity threat information, was unanimously approved by the Senate.



NERC Balloting & Comment Deadlines (continued)

April 2015

- 13 Comments Due: Project
 2015-04 Alignment of
 NERC Glossary of Terms
 and Definitions Used in the
 Rules of Procedure
 (Appendix 2 of the Rules of
 Procedure) SAR
- 15 <u>Comments due</u>: Project 2015-06 – Interconnection Reliability Operations and Coordination – SAR
- 15 <u>Comments Due</u>: Project 2010-14.2.2 — Phase 2 of Balancing Authority Reliability-based Controls — SAR
- 30 <u>Joint Ballot Pool Closes:</u> Project 2007-06 – System Protection Coordination – PRC-027-1

<u>May 2015</u>

- 11 Comments Due: Project
 2015-02 Periodic Review of
 Emergency Operations —
 EOP-004, EOP-005, EOP006, and EOP-008
- 15 Additional Ballot and Non-Binding Poll Closes and Comments Due: Project 2007-06 – System Protection Coordination– PRC-027-1

Selected Regional Compliance / Training Events

<u>April 2015</u>

15-16 FRCC Spring Compliance
Workshop

May 2015

- 13 TRE Spring Standards and Compliance Workshop
- 19-21 NPCC Spring Compliance and Standards Workshop

Protecting Cyber Networks Act Introduced in Congress – March 24 – Representative Devin Nunes (R-CA) introduced H.R. 1560, also known as the Protecting Cyber Networks Act, in the U.S. House of Representatives. The act aims to improve cybersecurity in the United States through the enhanced sharing of information regarding potential threats. The act allows private companies to share cyber threat information with each other and to voluntarily share such information with the federal government, but not through the National Security Agency or Department of Defense. The bill has been referred to the House Committee on Intelligence, which marked up the bill on March 26. The National Rural Electric Cooperative Association issued a statement approving of the bill and the House Committee on Intelligence's swift action.

About Us

The Van Ness Feldman Electric Reliability Update is published by <u>Andrew Art, Malcolm McLellan</u> and <u>Gabe Tabak</u>, with assistance from <u>Chris Zentz</u>, <u>Ilan Gutherz</u>, and <u>Van Smith</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 202.298.1817 or 206.829.1814 for additional information.

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