



## **Dates & Events**

### **July 2015**

- 27 [Comments due to FERC](#) on TPL-007-1 (Geomagnetic Disturbance Events)
- 28 NERC Webinar – [Operations Support Personnel](#)

### **August 2015**

- 4-6 [CIP V5 Small Group Advisory Session](#), Atlanta, GA
- 12-13 NERC [Board of Trustees Meeting](#), Toronto, ON
- 20 NERC Webinar – [Workforce Capability](#)
- 24 Comments due to FERC on [TOP-IRO standards proposed rule](#)
- 24 Comments due to FERC on [EOP and PRC standards proposed rule](#)

# Electric Reliability Update

JULY 24, 2015

## **FERC**

**FERC Proposes Revised CIP Reliability Standards** - July 16 - [FERC proposed revisions to critical infrastructure protection \(CIP\) Reliability Standards](#) to address certain cybersecurity risks relating to communication networks and supply chain management security controls associated with the bulk electric system. The proposed revisions would expand certain CIP standards to cover parts of the supply chain for key hardware or software components, and FERC also seeks comments on security standards for transient electronic devices such as flash drives. FERC also proposed to approve NERC's proposed implementation plan and VRF and VSL assignments. NERC [issued a statement](#) noting that FERC's actions "represent significant progress toward mitigating cyber risks to the bulk power system." [Comments](#) are due September 21, 2015.

**FERC Approves Revisions to Reliability Standard CIP-014-2** - July 14 – FERC issued a [letter order](#) approving a NERC petition for approval of proposed Reliability Standard CIP-014-02, which removes the term "widespread" from Reliability Standard CIP-014-01. FERC had directed the revision after determining that the term was unclear in implementation and enforcement.

## **NERC**

**Draft 2016-2018 Reliability Standards Development Plan** - July 17 - [NERC posted](#) for [comment](#) the draft 2016-2018 Reliability Standards Development Plan (RSDP), which details NERC standards development goals for future years. After review from the Standards Committee, comments will be used to form the next version of the RSDP. Comments are due by Monday, August 17, 2015.

**RBR Compliance Filing** - July 17 - In response to FERC's March 19 order approving the Risk-Based Registration (RBR) Initiative but denying without prejudice NERC's proposal to remove the Load-Serving Entity (LSE) functional registration category, NERC submitted a [compliance filing](#) and petition for approval of Rules of Procedure revisions. In the filing, NERC provides detailed information on LSE activities, urges FERC to remove the Load-Serving Entity (LSE) functional registration category from the NERC Compliance Registry (NCR), and responds to FERC's concerns in the [March 19 Order](#).

**Second Draft 2016 NERC Business Plan and Budget** - July 15 - [NERC posted its second draft of budget documents](#) for its FY2016 budget plan. The second draft reflects a budget increase of .8% from FY2015, a reduction of 2.3% from the previous draft. Comments are due by July 31, 2015 and NERC plans to submit the proposed budget on August 24, 2015.

**Reply Comments on Reliability Standard PRC-002-2** - July 13 - NERC [replied](#) to comments of the Bonneville Power Administration (BPA) and the American Public Power Association (APPA) on FERC's Notice of Proposed Rulemaking to approve Reliability Standard PRC-002-2. Specifically, NERC responded to comments from BPA and APPA that were critical of NERC's proposed methodology for identifying BES buses subject to PRC-002-2, which would establish recording requirements to allow for analysis of bulk power system disturbances.

**Revisions to Violation Risk Factors for PRC Standards** - July 7 - NERC [proposed revisions to the Violation Risk Factors \(VRF\)](#) for Requirements R1 through R6 of Reliability Standards PRC-004-3, PRC-004-4, and PRC-004-5 (Protection System Misoperation Identification and Correction). NERC's proposal would raise the VRF designation for Requirements R1 through R6 from "medium" to "high", as directed by the Commission in a May 13 order.

**Rules of Procedure Revisions** - July 6 - NERC [requested approval from FERC for revisions to NERC's Rules of Procedure](#). FERC directed the changes in a February 19, 2015 Order approving NERC's

**NERC Balloting &  
Comment Deadlines**

**July 2015**

- 27 [Initial Ballot and Comments Due](#): Project 2015-04 – Alignment of Terms
- 31 [Final Ballots Due](#): Project 2015-06 – Interconnection Reliability Operations and Coordination – IRO-006-East, IRO-009

**August 2015**

- 17 [Comments Due](#): Project 2009-02 – Real-time Monitoring and Analysis Capabilities
- 19 [Comments Due](#): Project 2015-08– Emergency Operations
- 20 [Additional Ballot and Non-binding Polls and Comments Due](#): Project 2010-14.1 – Phase 1 of Balancing Authority Reliability-based Controls – BAL-002-2

**Selected Regional  
Compliance / Training  
Events**

**July 2015**

- 1 [RFC Protection System Training for Field Personnel](#)
- 9-10 [WECC CIP Advanced Training](#)
- 28-29 [SERC CIP Compliance Seminar](#)
- 30-10/1 [SPP Quarterly Compliance Forum](#)

implementation of the Reliability Assurance Initiative into the Risk-Based Compliance Monitoring and Enforcement Program.

**Cybersecurity and Grid Security**

**NIST Update on Cybersecurity Framework** - July 1 - The National Institute of Standards and Technology (NIST) released its [July newsletter on its cybersecurity framework](#), highlighting the efforts between government and industry to manage cyber risks.

**Congress**

**Joseph McClelland Testifies on GMD and EMP Threats to the Electric Grid** - July 22 - Joseph McClelland, Director of FERC’s Office of Energy Infrastructure Security (OEIS), [testified before the Committee on Homeland Security and Governmental Affairs](#) regarding FERC’s role in protecting the electric grid from geomagnetic disturbances (GMDs). GMDs may be caused by naturally occurring solar magnetic disturbances, or by man-made electromagnetic pulses (EMPs) from devices that can generate localized high-energy bursts. McClelland noted that FERC has proposed two reliability standards on GMDs and is collaborating with other federal agencies and industry on GMD and EMP threats.

**Regional Developments**

**2016 Regional Business Plans and Budgets** - July 15 – NERC [posted 2016 Business Plans and Budgets](#) for each of the Regional Reliability Entities. Each of these Business Plans and Budgets includes a comparison to 2015 budgets, anticipated expense increases for 2016, and projections for budget and assessment increases in 2017 and 2018.

**Other Developments**

**DOE Requests Comments on National Transformer Reserve** - July 9 - [The Department of Energy, Office of Electricity Delivery and Energy Reliability issued a Request for Information](#) seeking comments and information on the possible establishment of a National Transformer Reserve Program to support the bulk power grid. Comments are due on August 24, 2015.

**About Us**

The Van Ness Feldman Electric Reliability Update is published by [Andrew Art](#), [Malcolm McLellan](#) and [Gabe Tabak](#), with assistance from [Ilan Gutherz](#) and [Van Smith](#). [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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