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# **Dates & Events**

#### October 2015

- 13 NERC Webinar <u>– Internal</u>
  <u>Communications</u>
  <u>Capabilities</u>
- 13-16 <u>GridSecCon</u> 2015, Philadelphia, PA
- 15 NERC Webinar <u>Extreme</u> <u>Physical Events</u>
- 19 NERC Webinar Realtime Monitoring and Analysis Capabilities
- 20-22 2015 <u>Standards and</u> <u>Compliance Fall</u> <u>Workshop</u>, San Diego, CA

#### November 2015

- 23 Comments due to FERC on <u>proposed relay</u> <u>performance standard</u>
- 30 Comments due to FERC on Proposal to make NERC databases available to FERC

# **Electric Reliability Update**

**OCTOBER 9, 2015** 

#### **FERC**

**FERC Issues Letter Order Accepting MRO Bylaws** - September 30 - On August 14, 2015, NERC submitted proposed amendments to its Delegation Agreement with Midwest Reliability Organization, Inc. (MRO). No protest was filed during the allotted time frame. FERC accepted NERC's uncontested filing in a September 30 <u>Letter Order</u>.

NERC, Trade Associations Comment on FERC NOPR on Revised CIP Standards - September 21 - NERC and a collection of trade associations including APPA, EEI, EPSA, NRECA, ELCON, TAPS, and LPPC submitted comments in response to FERC's proposal to approve seven Critical Infrastructure Protection (CIP) Reliability Standards, modify Reliability Standard CIP-006-6, and address supply chain management requirements. The proposed Reliability Standards are designed to mitigate cybersecurity risks to bulk electric system infrastructure. Both NERC and the trade associations generally support FERC's NOPR, but do not support the Commission's request for mandatory supply chain requirements. NERC's comments assert that there are "significant challenges" to developing a mandatory Supply Chain Management Reliability Standard consistent with Section 215 of the Federal Power Act, and the trade association comments state that "no events or disturbances have taken place that indicate a problem or emerging pattern or trend" related to supply chain risks.

#### **NERC**

Extension of Time for Revisions to the NERC Compliance and Certification Committee Charter - October 2 - NERC requested that FERC allow a 30-day extension to file revisions to the Compliance and Certification Committee Charter. The extension will allow NERC to submit the revised Charter to the NERC Board of Trustees for approval at their November 2015 meeting.

NERC, WECC Provide Joint Answer to Utility Comments on WECC Funding - September 30 - NERC and WECC submitted a joint answer to comments submitted by multiple utility companies objecting to NERC's proposal to fund WECC's Reliability Assessment and Performance Analysis (RAPA) and Situation Awareness and Infrastructure Security (SAIS) activities through NERC's 2016 Budget. The commenters alleged that these activities "may not be delegated to or funded by a Regional Entity under Section 215" of the Federal Power Act. In response, NERC and WECC stated that the Commission has consistently approved funding for similar activities under Section 215, that WECC's funding criteria and RAPA and Situation Awareness activities satisfy the NERC criteria, and that the Commission has consistently approved the same Section 215 funding for WECC's prior RAPA and Situation Awareness activities.

**NERC Penalty Activity** - September 30 - NERC <u>filed with FERC</u> a spreadsheet notice of penalty resolving 3 violations of 2 Reliability Standards.

NERC Responds to Office of Energy Market Regulation Letter - September 29 - NERC submitted to FERC responses to the Office of Energy Market Regulation's September 15 Letter requesting additional information on the 2016 business and budget plans for NERC, WECC, and the Western Interconnection Regional Advisory Body (WIRAB). The questions in the September 15 letter concern proposed funding for NERC programs.

NERC Publishes Annual Report on Wide-Area Analysis of Technical Feasibility Exceptions - September 28 - Pursuant to FERC Order No. 706, NERC provided its 2015 Annual Report on Wide-Area Analysis of Technical Feasibility Exceptions (TFEs). The report, developed in consultation with NERC's Regional Entities, details the TFE Request Process, the amount of approved TFEs in effect, and the number of TFEs that expired or are set to expire. It also discusses compliance, implementation, and the reduction of future reliance on TFEs.



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# NERC Balloting & Comment Deadlines

#### October 2015

- 14 Final Ballot: Project 2007-06
   System Protection
  Coordination PRC-027-1
- 15 Final Ballot: Project 2010-04.1 – FERC Order No. 804 Directives – MOD-031-2
- 28 <u>Comments Due</u>: Revisions to the NERC Standard Process Manual – Section 6

#### November 2015

- 9 Initial Ballot and Nonbinding Polls and Comments Due: Project 2009-02 – Realtime Monitoring and Analysis Capabilities – IRO-018-1, TOP-010-1
- 12 Initial Ballot and Comments

  <u>Due</u>: Project 2010-14.2.2 —

  Phase 2 of Balancing

  Authority Reliability-based

  Controls BAL-004
- 16 Initial Ballot and Nonbinding Polls and Comments Due: Project 2015-07 – Internal Communications Capabilities – COM-001-3
- 19 Additional Ballot and Nonbinding Polls and Comments Due: Project 2007.06.2 – Phase 2 of System Protection Coordination – TOP-009-1, Retirement of PRC-001-1.1(ii)

# Selected Regional Compliance / Training Events

#### October 2015

- 27 TRE Fall Standards and Compliance Workshop
- 27-28 <u>SERC Fall Compliance</u> <u>Seminar</u>

## November 2015

- 10-12 FRCC Fall Compliance Workshop
- 10-12 NPCC Fall Compliance and Standards Workshop

NERC Reply Comments on GMD Proceeding - September 23 - NERC provided FERC with a response to comments submitted by John G. Kappenman (Storm Analysis Consultants) and Curtis Birnbach (Advanced Fusion Systems) on proposed Reliability Standard TPL-007-1, Transmission System Planned Performance for Geomagnetic Disturbance Events. Kappenman & Birnbach urge FERC to remand the proposed standard based on a "number of serious problems in the reliability and accuracy of geo-electric field calculations." NERC's reply proposes that the commenters' concern with the calculations is not appropriate, and request FERC to approve TPL-007-1.

### **Congress**

Rep. Anna Eshoo Introduces Cyber Hygiene Bill - October 1 - Representative Anna Eshoo (D-CA) introduced in the House of Representatives the "Promoting Good Cyber Hygiene Act of 2015." The bill would require the National Institute of Standards and Technology, along with the Federal Trade Commission and the Department of Homeland Security, to establish a list of best practices and procedures to help protect information systems against cybersecurity threats. The list would be reviewed and updated annually and would be publicly accessible.

**Upton Energy Bill H.R. 8 Advances in Congress** - September 30 - The <u>North American Energy Security and Infrastructure Act of 2015 (H.R. 8)</u>, introduced by Fred Upton (R-MI) has been considered and marked-up by the House committees reported to the House as a whole for consideration. H.R. 8 would allow the Secretary of Energy to act in grid security emergencies to protect the reliability of critical electric infrastructure with or without a hearing or report. The bill also calls for a plan to establish a Strategic Transformer Reserve, and will make electric utilities adopt or modify policies to ensure reliable generation is incorporated in their business model.

Sen. Cantwell Introduces American Energy Innovation Act - September 28 - Senator Maria Cantwell (D-WA) introduced the American Energy Innovation Act (S. 2089), a measure backed by Democratic leaders that takes a more aggressive stance on climate change than the Energy Policy Modernization Act of 2015, the legislation introduced in the Senate last month by Sen. Cantwell and Sen. Lisa Murkowski (R-AK). The bill addresses cybersecurity threats by empowering the Secretary of Energy in the event of an imminent threat to the electrical grid, which includes the power to direct relevant entities to "take such actions as the Secretary determines will best avert or mitigate the cybersecurity threat" and to coordinate with Canadian and Mexican officials to protect the North American electrical grid. Furthermore, the legislation would direct the Secretary to carry out programs to develop advanced cybersecurity applications and technologies, identify vulnerabilities of energy sector supply chain products, test emergency response capabilities, and secure critical infrastructure.

# **Regional Developments**

TRE and SERC Respond to Extreme Cold Preparation Data Request - September 29 - The <u>Texas</u> <u>Reliability Entity</u> (TRE) and the <u>SERC Reliability Corporation</u> (SERC) responded to a FERC data request relating to past performance in and preparedness for cold and extreme weather events. The organizations were asked to provide information on the causes of previous equipment failures, lessons learned to prevent future failures, policy and procedural changes, outreach activities, site visits, availability of generating units with limited hours, and new issues for the upcoming winter.

#### **About Us**

The Van Ness Feldman Electric Reliability Update is published by <u>Andrew Art, Malcolm McLellan</u> with assistance from <u>Ilan Gutherz</u>, <u>Van Smith</u>, <u>Gabe Tabak</u>, Tyler Elliott, and Michael Weiner. <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. Click <u>here</u> to sign up for the Reliability Update.

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