



Dates & Events

December 2015

- 15 Webinar – [Project 2010-05.3 Phase 3 of Protection Systems: Remedial Action Schemes \(RAS\)](#)
- 17 NERC Webinar – [Risky-based Registration](#)

Electric Reliability Update

DECEMBER 14, 2015

FERC

FERC Approves IRO Reliability Standards - December 4 - FERC issued a [letter order](#) approving Reliability Standards IRO-006-EAST-2 (Transmission Loading Relief Procedure for the Eastern Interconnection) and IRO-009-2 (Reliability Coordinator Actions to Operate within IROs), for which NERC filed a petition for approval on September 16, 2015. The standards remove redundant requirements, clearly delineate applicable entities and specific actions required, and combine existing requirements.

FERC Approves NERC's Motion to Defer the Implementation of Certain PRC Reliability Standards - December 4 – FERC issued a [letter order](#) approving a November 13 NERC motion to defer implementation of Reliability Standards PRC-005-3, PRC-005(3)(i) and PRC-005-4, which were previously scheduled to become effective on January 1, 2016, until after the Commission issues a final order on proposed Reliability Standard PRC-005-6. Deferral of the effective date of these standards until PRC-005-4 is finalized will allow registered entities to avoid a patchwork approach to implementation of the new standards. Once PRC-005-6 is approved, all the newly applicable requirements can be addressed in one comprehensive set of changes to a registered entity's protection system maintenance program.

FERC Issues Letter Order Approving Revisions to Violation Risk Factors - December 4 - FERC issued a [letter order](#) approving a NERC proposal to revise 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) from "medium" to "high." NERC filed the petition in response to May 13 FERC order directing NERC to revise the VRF designations.

FERC Dismisses Complaint and Denies Petition for Rulemaking - December 2 - FERC [dismissed](#) a complaint and denied a petition for rulemaking filed by Eric S. Morris concerning the NERC Sanction Guidelines. Mr. Morris alleged in the complaint that NERC and SERC violated the Sanction Guidelines in assessing a penalty against Entergy Services, Inc. in a settlement, and subsequently petitioned for removal of a provision in the Sanction Guidelines that allows for departure from the Sanction Guidelines in settlements. FERC held that section 306 of the Federal Power Act, under which the complaint was filed, does not allow for complaints against SERC or NERC, and that Mr. Morris lacked standing. FERC declined to initiate a rulemaking on the grounds that that Mr. Morris had not shown a systemic problem in application of the Sanction Guidelines or that his proposal was just and reasonable..

FERC Files Comments on Requests for Extension of MATS Compliance Deadline - December 2 - [FERC submitted comments](#) to EPA in response to requests by the City of Ames, the Tennessee Valley Authority, and the Virginia Electric and Power Company for administrative orders by EPA to allow certain generating facilities additional time to comply with EPA's Mercury and Air Toxics Standards (MATS) final rule. FERC found that the generation facilities that were the subject of each of the requests for extension were needed to maintain electric reliability and avoid possible Reliability Standard violations.

FERC Rejects Requests for Rehearing in Presque Isle SSR Unit Cost Allocation Proceeding - November 25 - FERC issued an [order on rehearing](#) rejecting requests for rehearing by Tilden Mining Company L.C., Empire Iron Mining Partnership, and the City of Mackinac Island of a February 19, 2015 FERC Order concerning proper cost allocation for the Presque Isle System Support Resource (SSR) units, which will be located in a new Michigan Upper Peninsula Local Balancing Authority (LBA). In the order on rehearing, FERC rejected certain arguments as untimely requests for rehearing of earlier orders and affirmed its previous determination that the case should not be set for hearing.

**NERC Balloting &
Comment Deadlines**

December 2015

- 16 [Initial Ballot and Comments Due](#): Project 2010-07.1 – Vegetation Management – FAC-003-4
- 17 [Comments Due](#): Project 2015-10 – Single Points of Failure – TPL-001
- 17 [Final Ballot](#): Project 2010-14.2.2 – Phase 2 of Balancing Authority Reliability-based Controls – BAL-004

January 2015

- 8 [Initial Ballot, Additional Ballot and Non-binding Polls and Comments Due](#): 2010-05.3 – Phase 3 of Protection Systems: Remedial Action Schemes (RAS) – PRC-012-2 and Proposed Definition
- 11 [Additional Ballot and Non-binding Polls and Comments Due](#): Project 2010-14.2.1 – Phase 2 of Balancing Authority Reliability-based Controls – BAL-005, BAL-006, FAC-001
- 25 [Additional Ballot and Non-binding Polls and Comments Due](#): Project 2009-02 – Real-time Reliability Monitoring and Analysis Capabilities – IRO-018, TOP-010-1

Letter Order Accepting SERC Bylaw Revisions - November 25 - [FERC issued a letter order](#) accepting NERC's proposed amendments to its delegation agreement with SERC. Specifically, amendments to SERC's bylaws were accepted.

FERC Grants Motion for Extension of Time in Rulemaking on FERC Access to NERC Databases - November 24 – [FERC granted a November 20 motion](#) by the Edison Electric Institute for a 15-day extension of time extending the comment period to respond to a Notice of Proposed Rulemaking (NOPR) issued by FERC on September 17. In the NOPR, FERC proposed to amend its regulations to allow FERC access to NERC's Transmission Availability Data System, Generating Availability Data System, and protection system misoperations database. The end of the comment period has been changed from November 30 to December 15.

FERC Approves PRC Reliability Standards - November 19 – FERC issued a [letter order](#) approving NERC's petition seeking approval of Reliability Standards PRC-004-5 (Protection System Misoperation Identification and Correction) and PRC-010-2 (Undervoltage Load Shedding). These Reliability Standards were developed in response to an Order No. 693 directive to require an integrated and coordinated approach in all protection systems, including undervoltage load shedding programs (UVLS), and ensure that UVLS relay misoperations are identified and corrected and that UVLS equipment performance is appropriately evaluated.

NERC

NERC Petitions for Approval of Revised Definitions - December 7 - NERC filed with FERC a [petition for approval of certain revised definitions](#) used in the "Glossary of Terms Used in NERC Reliability Standards." According to NERC, the petition would align definitions in the Glossary and the NERC Rules of Procedure. Due to standard development projects and revisions to the NERC Rules of Procedure, certain defined terms currently have different definitions in those contexts than in the NERC Glossary. In total, NERC proposed to revise 26 terms.

NERC Proposes Revisions to Rules of Procedure - December 7 - [NERC submitted to FERC a request for approval of revisions to the NERC Rules of Procedure](#) to: (i) be consistent with the Critical Infrastructure Protection ("CIP") version 5 Reliability Standards approved by FERC; (ii) align with the NERC Glossary; and (iii) reflect previously-approved revisions to the NERC Standard Processes Manual regarding the timing of periodic reviews of Reliability Standards. NERC requests that the proposed revisions be made effective April 1, 2016.

NERC Submits Petition for Approval of SPP Amendments - November 30 - NERC [proposed amendments](#) to Southwest Power Pool, Inc.'s (SPP) delegation agreement which, if approved, will increase the number of SPP RE Trustees to four and ensure that only SPP members are eligible to participate in SPP RE Trustee elections.

NERC Files Comments Supporting FERC Approval of Relay Performance Reliability Standard - November 23 - NERC filed [comments](#) in response to FERC's proposal to approval Reliability Standard PRC-026-1 (Relay Performance During Stable Power Swings). NERC supports the Commission's proposal to approve the Reliability Standard, which applies to the Planning Coordinators, Generator Owners, and Transmission Owners that "apply load-responsive protective relays on generators, transformers, and transmission lines." NERC's comments also provide information in response to a FERC question regarding the increased burdens if load-responsive relays set with an intentional time delay of 15 cycles or greater become applicable to PRC-026-1.

NERC Informational Filing of ERO Performance Assessment - November 20 - [NERC submitted an informational filing to FERC](#) in response to FERC's November 20, 2014 Order on NERC's Five-Year Performance Assessment. The filing addresses tracking Reliability Standard projects, development of performance metrics, and how NERC is improving operations as the Electric Reliability Organization Enterprise.

NERC Files Amended CCC Charter - November 17 - [NERC submitted a compliance filing to FERC](#) requesting approval of certain revisions to the Compliance and Certificate Committee Charter (CCC Charter). As directed by FERC, the proposed revisions to the CCC Charter reinstate the original language of the Hearing Panel provision, which requires voting members to be “at arm’s length from parties to the hearing” in order to be selected for the hearing panel.

Congress

Surface Transportation Bill Signed By President Obama - December 4 - President Obama signed into law [H.R. 22, or the Fixing America’s Surface Transportation Act \(“FAST Act”\)](#). The FAST Act passed the Senate by a vote of 83-16 and the House by a vote of 359-65. The bill contains provisions on disaster preparedness, critical electric infrastructure security, a strategic transformer reserve, and the establishment of energy security valuation methods. In a [statement](#), the Edison Electric Institute applauded passage of the FAST Act.

Comprehensive Energy Bill Passes House - December 3 - In a 249-174 vote, the House [passed the North American Energy Security and Infrastructure Act of 2015 \(H.R. 8\)](#). Among other things, the legislation would allow the Department of Energy to order emergency measures to protect the reliability of either the bulk-power system or the defense critical electric infrastructure in the event of an imminent grid security emergency; provide the Department of Energy with the authority to establishment a Strategic Transformer Reserve after submission of a plan to Congress; and provide that actions taken by an entity to comply with an emergency order issued by FERC under section 202(c) of the Federal Power Act shall not be considered to violate environmental laws or regulations. The bill, which has been [lauded by organizations such as the Edison Electric Institute](#), has been referred to the Senate Committee on Energy and Natural Resources.

Critical Infrastructure Protection Act Passes House - November 16 - The Critical Infrastructure Protection Act, or CIPA, (H.R. 1073) [passed the House](#) by voice vote. The legislation, sponsored by Rep. Trent Franks (R-AZ), directs the Department of Homeland Security DHS to include the threat of electromagnetic pulse (EMP) events in national planning frameworks; conduct outreach to owners and operators of critical infrastructure, emergency planners, and emergency response providers about EMP threats; and conduct research on mitigating the consequences of EMP events. The bill has been received in the Senate and was referred to the Committee on Homeland Security and Governmental Affairs.

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 202.298.1817 or 206.829.1814 for additional information. Click [here](#) to sign up for the Reliability Update.

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