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Dates & Events

April 2016

- 19 NERC Critical
 Infrastructure Protection
 Standards Technical
 Conference, Atlanta, GA
- 25 Comments due to FERC on <u>primary Frequency</u>
 Response Reforms

May 2016

- 4-6 NERC <u>Project 2015-09 System Operating Limits</u>
 Technical Conference
 Atlanta, GA
- 23 <u>Reliability Standard PRC-</u> 026-1 becomes effective
- 23 Comments due to FERC
 on Notice of Proposed
 Rulemaking:
 Requirements for
 Frequency and Voltage
 Ride Through Capability
 of Small Facilities

Electric Reliability Update

APRIL 8, 2016

FERC

Reliability Standard Violations in New England Result in \$3 Million Penalty - March 30 - After completing its factfinding, FERC's Office of Enforcement concluded that Berkshire Power Company LLC (Berkshire) and Power Plant Management Services LLC (PPMS) violated the FPA, jurisdictional tariffs, various FERC regulations, and NERC Reliability Standards. Berkshire allegedly concealed plant maintenance and associated outages from ISO-NE between January 2008 and March 2011. The Reliability Standards in question are TOP-002-2 R14, TOP-003-1 R1.1 and TOP-006-1 R1. In an Order Approving Stipulation and Consent Agreement issued by the Commission on March 30, Berkshire and PPMS admit to the violations and agree to pay \$2 million in civil penalties. They also agree to implement measure designed to improve compliance with applicable Commission regulations and jurisdictional tariffs. In addition, Berkshire agreed to pay ISO-NE disgorgement of \$1,012,563 plus interest and \$30,000 in civil penalties for violations of the Reliability Standards.

Letter Order Accepting Revised Regional Delegation

Agreement - March 23 - FERC issued a letter order approving NERC's changes to the pro forma Regional Delegation Agreement (Agreement) between NERC and each of the eight Regional Entities. The revisions were made in response to FERC's November 2, 2015 order conditionally approving the Agreement.

NERC

NERC submits Supplemental Information on Proposed Contingency Reserves Standard- March 31 - NERC submitted to FERC supplemental information to its petition for approval of proposed Reliability Standard BAL-002-2 (Disturbance Control Standard – Contingency Reserve for Recovery from a Balancing Contingency Event). The supplemental information explains how Reliability Standards apply to events exceeding the Most Severe Single Contingency, and the respective responsibilities of Balancing Authorities, Reserve Sharing Groups, Transmission Operators, and Reliability Coordinators to ensure Bulk Power System reliability.

NERC Releases 2016 Standards Report - March 31 – NERC released its <u>annual report</u> summarizing the progress made, and plans for addressing the Reliability Standards-related directives issued by applicable governmental authorities. The report includes updates on the status and timetable for addressing NERC's regulatory directives, including its periodic review of reliability standards

NERC Issues Report on GridEx III - March 31 – NERC's most recent grid security exercise, GridEx III, showed continued improvement on industry response to cyber and physical attacks on the Bulk Power System, according to a NERC report. NERC's assessment of the November 2015 GridEx III exercise also found that the Electricity Information Sharing and Analysis Center should be enhanced to manage real-time communication with users, and that coordination with other critical infrastructures needs improvement to protect against physical security threats.

NERC Balloting & Comment Deadlines

April 2016

- 21 <u>Comments Due</u>: Project 2016-02 – Modifications to CIP Standards – Standards Authorization Request
- 25 Initial Ballot and Nonbinding Polls and Comments

 Due: Project 2007-06.2 –

 Phase 2 of System

 Protection Coordination –

 PER-006-1 and Two

 Proposed Modified

 Definitions

<u>May 2016</u>

6 Additional Ballot and Nonbinding Poll and Comments Due: Project 2015-07 – Internal Communications Capabilities – COM-001-3



Selected Regional Compliance / Training Events

<u>April 2016</u>

- 12 <u>FRCC Spring Compliance</u> Workshop
- 20 TRE Spring Standards & Compliance Workshop

May 2016

- 10-12 FRCC CIP Compliance Workshop
- 10-12 NPCC Spring 2016
 Compliance and Standards
 Workshop

Joint Petition of NERC and WECC for Approval of System Operating Limit Regional Reliability Standard - March 23 - The primary purpose of TOP-007-WECC-1a is to ensure that actual flows and associated scheduled flows on major WECC transfer paths do not exceed System Operating Limits for more than 30 minutes. In their joint petition NERC and WECC asserted that the issues addressed by regional Reliability Standard TOP-007-WECC-1a are addressed by continent-wide Reliability Standards thereby making the regional Reliability Standard redundant and unnecessary.

About Us

The Van Ness Feldman Electric Reliability Update is published by <u>Malcolm McLellan</u>, <u>Ilan Gutherz</u>, <u>Van Smith</u>, <u>Gabe Tabak</u>, <u>Darsh Singh</u>, <u>Tyler Elliott</u>, and <u>Michael Weiner</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 206.829.1814 or 202.298.1800 for additional information. Click <u>here</u> to sign up for the Reliability Update.

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