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Dates & Events

April 2017

- 18 DOE <u>Webinar</u>:
 Variational Optimal
 Power Flow and
 Dispatch Problems
- DOE and NERC E-ISAC

 <u>Cyber Exercise</u>

 <u>Workshop</u> (Salt Lake

 City, UT)
- 18-21 DOE peer review of Grid Modernization Initiative (Arlington, VA)
- 27 DOE <u>Webinar</u>: The Value Proposition for Energy Storage at the Sterling, MA Municipal Light Department

NERC Balloting & Comment Deadlines

<u>May 2017</u>

Initial Ballots and
Comments Due:
Revisions to the NERC
Standard Process
Manual – Sections 2.1,
3.7, 6, 7, 8 and 11

Electric Reliability Update

APRIL 18, 2017

NERC

NERC Comments on FERC Remedial Action Scheme NOPR - April 10 - NERC submitted comments to FERC in support of the Commission's January 19, 2017 NOPR to approve NERC Reliability Standard PRC-012-2. The purpose of proposed Reliability Standard PRC-012-2 is to add design, implementation, and review requirements to ensure that Remedial Action Schemes ("RAS") do not introduce unintentional or unacceptable reliability risks to the Bulk Electric System ("BES"). NERC urged the Commission to approve the Standard without directing modifications.

NERC Responds to FERC Data Request for Approval of Reliability Standards - April 6 - NERC responded to the Data Request issued by FERC on March 7, 2017 in which the FERC requested additional information in response to NERC's petition for approval of Reliability Standards BAL-005-1 (Balancing Authority Control) and FAC-001-3 (Facility Interconnection Requirements) and of the retirement of currently-effective Reliability Standards BAL-005-0.2b (Automatic Generation Control), BAL-006-2 (Inadvertent Interchange), and FAC-001-2. In compiling its response, NERC collected data from a representative sample of nine entities registered with NERC as a Balancing Authority, Reliability Coordinator, and/or Transmission Operator regarding their current practices for backup power supplies at Control Centers and other critical locations.

NERC and AGA Partner for Security Information Sharing - April 4 - NERC and the American Gas Association have launched a grid and energy delivery security partnership to improve coordination on potential security risks related to electricity and natural gas infrastructure. Staff from the Downstream Natural Gas Information Sharing and Analysis Center (DNG-ISAC) will join the Electricity Information Sharing and Analysis Center (E-ISAC) to monitor potential physical and cyber security threats that may impact critical infrastructure in both industries. The partnership has three primary objectives: (1) Improve security collaboration on common threat information and incident response; (2) Provide more joint analysis of security concerns and events; and (3) Advance shared processes for information sharing and situational awareness.

NERC Releases 2017 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 has addressed 95% of the 832 directives that FERC has issued and continues to make progress toward total completion.

NERC Penalty Activity - March 30 - NERC filed with FERC a <u>spreadsheet notice of penalty</u> resolving 2 violations of 2 Reliability Standards totaling \$108,000.

Cybersecurity and Grid Security

Senate Committee Holds Hearing on Cybersecurity - April 4 - The Senate Committee on Energy and Natural Resources held a hearing to examine efforts to protect U.S. energy delivery systems from cybersecurity threats. NERC President Gerry Cauley provided testimony stating that, to date, there has been no loss of load in North America due to a cyber attack, and that Mandatory Critical Infrastructure Protection standards along with information sharing across public and private sectors, continues to be the main focus to assure reliability.

NERC Sets April 1st Deadline for Testing Low Impact Incident Response Plans (IRP) - March 31 – Standard CIP-003-6 R2 states that Responsible Entitles "[s]hall implement one or more documented cyber security plan(s) to its low impact BES Cyber Systems that include the sections in Attachment 1." The base requirement is that plans for low impact systems must be implemented by the April 1st effective date.



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Selected Regional Compliance / Training Events

<u>April 2017</u>

- 18 TRE Spring Standards and Compliance Workshop
- 18 <u>RFC Reliability</u> <u>Workshop</u>
- 28-29 SPP Spring RE Workshop

May 2017

- 9-10 <u>FRCC Spring Compliance</u> Workshop
- 23 NPPC Spring
 Compliance and
 Standards Workshop

However, testing for high or medium impact IRPs is not required until July 1, 2017. Those unable to complete testing prior to April 1st are being encouraged to submit a Self-Report to their region.

Congress

Electricity and Forest Protection Act Introduced in House - April 4 - Representatives Doug LaMalfa (R-CA) and Kurt Schrader (D-OR) introduced H.R.1873, the Electricity Reliability and Forest Protection Act, to amend the Federal Land Policy and Management Act of 1976 to enhance the safety and reliability of the electric grid on federal lands and reduce the threat of wildfires and transmission failures. The Act will enable the owner or operator of a facility to maintain vegetation relating to electric transmission in compliance with Federal, State, and local reliability requirements. The bill has been referred to the House Committee on Natural Resources and the Committee on Agriculture for consideration.

Regional Developments

Peak Reliability Appoints Dick Garlish as Vice President, General Counsel and Corporate Secretary - April 6 - Peak Reliability announced the appointment of Dick Garlish as Vice President, General Counsel and Corporate Secretary. Mr. Garish will be a member of the Peak executive team and will be responsible for the company's legal function. He joins Peak from the Idaho Power Company where he served most recently as General Manager of Risk, Compliance and Security. Mr. Garlish's appoint will be effective May 15.

About Us

The Van Ness Feldman Electric Reliability Update is published by <u>Malcolm McLellan</u>, <u>Suzanne Keppeler McBride</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. Follow us on Twitter @VANNESSFELDMAN

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