



February 5, 2010

To: MRO Registered Entities

RE: Disturbance Reporting under EOP-004-1 and Data Requests

The purposes of this memo are to emphasize the importance of EOP-004-1 and describe the methods MRO requests information on matters, which fall below the reporting threshold of EOP-004-1. MRO encourages Registered Entities to voluntarily provide data and information, upon request, in order to determine the significance of an event or disturbance identified through the Reliability Coordinator Information System (RCIS) or through other means. Many of these events and disturbances typically fall below the reporting threshold of EOP-004-1.

Review of EOP-004-1

Reliability Standard EOP-004-1, Disturbance Reporting, requires that applicable Registered Entities study and evaluate disturbances or unusual occurrences that jeopardize the operation of the Bulk Electric System, or result in system equipment damage or customer interruptions, with the essential purpose of understanding what happened and minimizing the likelihood of similar events in the future through prevention. The complete text of the Reliability Standard can be found at:

<http://www.nerc.com/page.php?cid=2|20>

While not all events or disturbances qualify for EOP-004-1 reporting, MRO staff would like to stress the importance of this Reliability Standard as a primary element in improving reliability through sharing key findings and acting upon recommendations resulting from the evaluation of disturbances. The primary obligation of completing a report under EOP-004-1 rests with the applicable Registered Entities. MRO, through its stakeholders and staff, has the role of reviewing, evaluating, and disseminating the key findings and recommendations.

Additionally, MRO staff would like to emphasize the importance of timely and accurate completion and review of disturbance reports. The Standard requires the applicable Registered Entities to submit a preliminary written report within 24 hours to MRO and NERC. (Note that the U.S. Department of Energy Disturbance Reporting Requirement has a 60-minute reporting requirement.) The report should be sent to NERC at esisac@nerc.com and to MRO at events@midwestreliability.org. If MRO staff or the applicable MRO stakeholder-working group determines that a final report is required, it shall be submitted within 60 days for MRO review and approval.

If the submitted report is not deemed sufficient, MRO staff and potentially NERC Event Analysis staff will provide a response to the applicable Registered Entities and identify what further review or analysis is needed. For larger events, an Event Analysis team will be formed to do the analysis and report; it will be led by either MRO or NERC and the team may request additional data or analysis. NERC has developed a classification of types of events to help with the determination if an Event Analysis is required. This





classification guide can be found at: <http://www.nerc.com/page.php?cid=5|252>. The extent of the analysis and resulting timeframe for completion of a report will be based on the complexity of the event. In general, MRO would like to set a goal of 180 days for a report to be prepared and approved by the MRO Reliability Assessment Committee or Board.

The types of disturbances, which are applicable, are identified in the Standard (EOP-004-1). The key qualitative aspects of a report under EOP-004-1 are identified in the MRO Event Analysis and Reporting Guideline. MRO procedures for EOP-004-1 and disturbances can be found at:

http://www.midwestreliability.org/ABO_mro_manual_6-2.html.

While MRO has not seen any material deviations with the requirements of EOP-004-1, staff and MRO stakeholder groups have escalated the importance of both the quality and the timeliness of these reports. Additionally, MRO staff believes that timely, complete reports in complying with EOP-004-1 reflects a disciplined, systematic process to self evaluate performance and take swift corrective actions; a clear indication of a desirable compliance environment to improving reliability.

Supplemental Data Requests

NERC, MRO and Event Analysis Teams develop data requests to supplement the information provided by the Registered Entities in their initial reports required by EOP-004-1. These data requests have been important to successfully completing the Event Analysis report.

Other Data Requests

Beyond the reporting requirements of EOP-004-1, MRO staff follows up on certain other events. These events could be identified in the Reliability Coordinator Information System, Situational Awareness tools, the media, or through reports from neighboring Registered Entities or other regions. In addition, these events can prompt MRO to collect data and information to understand the significance of an event. As an example, MRO may request data or information to evaluate whether or not an event needs further review or analysis. MRO prefers to conduct these data requests through informal means, given MRO staff share a common purpose with the Registered Entities-improving reliability. Section 1600 of the Rules of Procedure (Rules) allows MRO (or NERC) to request data or information; however, again, MRO would prefer to rely on voluntary cooperation with Registered Entities. The Rules can be found at:

<http://www.nerc.com/elibrary.php> .

Thanks in advance for your cooperation. Please feel free to contact me with any questions.

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