

Unofficial Comment Form for Standards Committee's Project Prioritization Reference Document and Tool

Please do not use this form to submit comments on the draft standard prioritization tool and associated reference document. Please use the [electronic comment form](#) to submit your comments. Comments must be submitted by **February 10, 2011**. If you have questions please contact **Maureen Long** at maureen.long@nerc.net or by telephone at 813-468-5998.

Background Information:

The Standards Committee has posted a draft standard project prioritization tool and reference document (Standards Committee Process for Standard Project Identification, Prioritization, and Monitoring) proposed for use in prioritizing standard projects. Comments will be accepted through February 10, 2011.

During the past few years, the Standards Committee has been presented with more proposals for developing new or revised projects than can be accomplished at one time. The project prioritization tool is an excel spreadsheet that provides a transparent method of identifying the reliability-related benefits associated with each standard development project. The tool provides the flexibility to accommodate new projects and to adjust project priorities and completion schedules in response to changing conditions and will be used to assign a priority to each standard project proposed for development.

The reference document provides an explanation of the project prioritization tool and identifies how the Standards Committee envisions using the tool.

You are encouraged to read the reference document and then review the tool and the ratings assigned to each of the proposed projects.

We ask that you provide comments on the tool, and then comments on the initial set of ratings. If you disagree with the rating assigned to a specific project, please identify why you believe the rating is incorrect and identify what rating you believe is more appropriate. Please be as specific as possible to help the Standards Committee in making adjustments to the ratings already assigned. For example, if you believe that the proposed project will fill a reliability gap that is not properly rated; identify the reliability gap that is addressed in the project

You do not have to answer all questions. Enter All Comments in Simple Text Format.

Insert a "check" mark in the appropriate boxes by double-clicking the gray areas.

Standards Committee Process for Standard Project Identification, Prioritization, and Monitoring

1. Please provide any comments you have on the draft reference document.

Comments:

1. Page 2 of 12 ("Process For Project Identification, Prioritization and Management"), section A ("Identifying the list of Standard Projects"). This section indicates that projects will be initiated through various means such as "Reliability Need" and "Bridging the Gap". Is there any criteria for these initiation methods? For example, in the past the Regional Reliability Working Group (now the Regional Standards Group) has submitted their proposals as to what they believe are high priority projects but nothing came of their proposals. Another example, everyone seems to have their own idea as to what reliability means. Reliability to me means "materially impacting the operation of the Bulk Power System" to some it means "address the FERC Commission directives".
2. Page 3 of 12 ("Process For Project Identification, Prioritization and Management"), section B ("Listing and Prioritizing Baseline Projects"). The first paragraph expresses a priority list and it ranks three topics as having the highest priority (Rank#1 – Addressing Reliability Gaps, Rank#2 – To remove ambiguity from a standard that has a large number of violations, & Rank#3 – Combining 2 or 3 standards to consolidate requirements.) Either this paragraph or the excel spread sheet should be changed since the excel spreadsheet doesn't reflect these topics as having the highest priority. The excel spreadsheet reflects the following topics as all equally having the highest priority: "time constrained directives" (column "F"), "Fill an identified gap in reliability"(column "H"),"Improve existing reliability standards"(column "I"), "project percentage complete" (column "N"), and "Other Factor" (column "O").
3. Page 5 of 12 ("Process For Project Identification, Prioritization and Management"), section C ("Developing the Project Cut-off Line Based on Resource Constraints") The paragraph starting with the text, "Despite the lack of accuracy, the above assumptions ..." The sentence "Combining the two assumptions, it follows that the number of projects that can be worked on in the coming year is the same as that of the last years." The NSRS doesn't follow this conclusion. If the resources are constrained and the work effort remains unchanged then why couldn't the number of projects that could be worked on in the coming year be reduced? Reducing the active projects would allow more efficient use of existing resources both at the NERC Staff level and the industry participation level. The NSRS has heard of several drafting teams which were told to expedite their work product but then after they submitted their work product several months went by before their product was reviewed or returned back to them asking for changes. Recently, two drafting teams experienced this and tried to respond back in an expedited manner to the comments they received as a result of their work product review and as a result the full drafting teams were not aware of the responses and what was eventually posted as their work product.(i.e., 2007-17 & 2010-15)
4. Page 8 of 12 ("Process For Project Identification, Prioritization and Management"), section H ("Project Prioritization Tool Description"), Column G ("Address regulatory directives without a time-constraint"). Not sure why an elaborate index is needed plus the factors in the index appear to be counted elsewhere in the excel spreadsheet like column "O" and column "H".

- a. The 4th response to question 1 (“The directive relates to which of the following...?”) is “Items from the Blackout Report”. The items in the blackout report have also been included in the column “O” for example project 2009-04 (“Phasor Measurements”) has a “25” in column “O” since it was discussed in the blackout report.
 - b. The sum of the first three bullets to question 1 (“The directive relates to which of the following...?”) is the same as the criterion in column “H”. This criterion in column “H” is “severe risk of “Big Three””.
5. Page 8 of 12 (“Process For Project Identification, Prioritization and Management”), section H (“Project Prioritization Tool Description”), Column G (“Address regulatory directives without a time-constraint”). The 6th response to question 1 (“The directive relates to which of the following...?”) is “Other operational or planning issues – 4 points”. Why is this response “4 points”? The NSRS sees it as comparable to the Blackout Report which has 9 points. The NSRS is thinking “other operational or planning issues” should be at least 9 or 10 points since these issues are currently or projected to be issues impacting the Bulk Power System where as the blackout report were identified issues seen in 2003. (The issues may have changed.)
 6. Page 8 of 12 (“Process For Project Identification, Prioritization and Management”), section H (“Project Prioritization Tool Description”), Columns I, J, & K. The point spread for these columns doesn’t seem appropriate.
 - a. Looking at the Columns I & H, a significant improvement in existing reliability standards is equal to filling/fixing a severe risk of the “Big Three” identified gap in reliability.
 - b. Looking at the Columns I & F, a significant improvement in existing reliability standards is equal to meeting a time constrained directive.
 - c. Looking at Columns J and K and comparing them to column H, the highest point spread is “50” for both Columns J & K. This spreadsheet appears to equate “standard committee processes” to “moderate risk or scope” of filling an identified reliability gap.

Project Prioritization Tool:

2. Do you agree with the range of questions (column headings) in the tool?

- Yes
 No

Comments: The current range of questions is an acceptable start, and ATC believes that with implementation of this new tool, improvement recommendations will be identified.

3. Do you agree that the range (0-100) for the red and orange columns in the tool?

- Yes
 No

Comments:

A. Each score should be the product of importance and urgency factors and the weighting of each score should be appropriate between these columns. Below are my specific issues:

1. Page 3 of 12 (“Process For Project Identification, Prioritization and Management”), section B (“Listing and Prioritizing Baseline Projects”). The first paragraph expresses a priority list and it ranks three topics as having the highest priority (Rank#1 – Addressing Reliability Gaps, Rank#2 – To remove ambiguity from a standard that has a large number of violations, & Rank#3 – Combining 2 or 3 standards to consolidate requirements.) Either this paragraph or the excel spread sheet should be changed since the excel spreadsheet doesn’t reflect these topics as having the highest priority. The

excel spreadsheet reflects the following topics as all equally having the highest priority: “time constrained directives” (column “F”), “Fill an identified gap in reliability”(column “H”), “Improve existing reliability standards”(column “I”), “project percentage complete” (column “N”), and “Other Factor” (column “O”).

2. Page 8 of 12 (“Process For Project Identification, Prioritization and Management”), section H (“Project Prioritization Tool Description”), Column G (“Address regulatory directives without a time-constraint”). The 6th response to question 1 (“The directive relates to which of the following...?”) is “Other operational or planning issues – 4 points”. Why is this response “4 points”? The NSRS sees it as comparable to the Blackout Report which has 9 points. The NSRS is thinking “other operational or planning issues” should be at least 9 or 10 points since these issues are currently or projected to be issues impacting the Bulk Power System where as the blackout report were identified issues seen in 2003. (The issues may have changed.)

3. Page 8 of 12 (“Process For Project Identification, Prioritization and Management”), section H (“Project Prioritization Tool Description”), Columns I, J, & K. The point spread for these columns doesn’t seem appropriate.

- a. Looking at the Columns I & H, a significant improvement in existing reliability standards is equal to filling/fixing a severe risk of the “Big Three” identified gap in reliability.
- b. Looking at the Columns I & F, a significant improvement in existing reliability standards is equal to meeting a time constrained directive.
- c. Looking at Columns J and K and comparing them to column H, the highest point spread is “50” for both Columns J & K. This spreadsheet appears to equate “standard committee processes” to “moderate risk or scope” of filling an identified reliability gap.

B. I understand the need to finish a project within the time constrain given by a directive but I'm concerned with the approach that columns "F" and "G" taking. The NSRS will remind everyone that the FERC order 693 has several directives that remain unresolved such as fill-in-the-blank standards where the commission only asked for existing regional procedures to be submitted to them so that they could rule on the fill-in-the-blank standards. Up until recently, the commission has asked for very few time constrained directives. The NSRS can't help but wondering if their recent insertion of a time constrain has anything to do with the way the old open directives have not been addressed. Some of these directives while not having a time constrain are still important. (i.e., misoperations of protection systems, special protection systems, etc.) The NSRS just cautions the application of "50" to a non-time constrained directive.

4. Do you agree that the range (0-50) for four of the yellow columns, with the column identifying the investment already made in the project rated with a possible rating of 0-100?

- Yes
 No

Comments:

Score should be the product of importance and urgency factors and the weighting of each score should be appropriate between these columns. Below are my specific issues:

1. Page 8 of 12 (“Process For Project Identification, Prioritization and Management”), section H (“Project Prioritization Tool Description”), Columns I, J, & K. The point spread for these columns doesn’t seem appropriate:

- a. Looking at the Columns I & H, a significant improvement in existing reliability standards is equal to filling/fixing a severe risk of the "Big Three" identified gap in reliability.
- b. Looking at the Columns I & F, a significant improvement in existing reliability standards is equal to meeting a time constrained directive.
- c. Looking at Columns J and K and comparing them to column H, the highest point spread is "50" for both Columns J & K. This spreadsheet appears to equate "standard committee processes" to "moderate risk or scope" of filling an identified reliability gap.

2. Not sure why column "M" is needed, if an SDT is unable to address a topic wouldn't the next logical step be to ask the NERC staff, a requester, or the SDT to submit a SAR? Plus, this column ("M") appears to be in conflict with the BOT's instructions to the NERC Standards Committee in that the BOT indicated the NERC SC should focus its efforts and suspend efforts on developing interpretations. Doesn't a misinterpretation of a requirement create a compliance issue so wouldn't a failed interpretation be considered in that column ("I") only.

5. Do you agree that the range (0-100) for the blue column in the tool?

Yes

No

Comments:

The NSRS agrees the concept of including an "other" column to be able to address any unforeseen, but significant factors. Because the "other" element is unknown, one can not be fully affirm that the range of (0-100) would always be appropriate.

Plus, the tool allows column "O" to double count specific topics when double counting should not be allowed. For example the 2003 blackout report is double counted in column "G" and column "O". Another example of this double counting is project 2007-17. Project 2007-17("Protection System Maintenance & Testing") has "25" assigned to it in the column "O" but the explanation for this "25" is that PRC-005-1 is "... one of the most violated standards and needs modified to clearly identify maintenance and testing requirements and intervals.", this explanation is already accounted for in the column "L".

6. What factors do you believe the Standards Committee should consider in the "Other" column?

Yes

No

Comments:

The Blackout report listed operational and planning issues that existed in 2003. Since current operational or planning issues are not considered as important (Column G, Question 1, an "other operational or planning" issue is assigned 4 points) as past issues (Column G, Question 1, a blackout report issue is assigned 9 points), the NSRS would recommend adding points to the "Other" column for current operational or planning issues. For example, the percentage of misoperations of protection systems has been increasing over the years that have preceded the 2003 blackout report. The 2009 Long Term Reliability Assessment reported in "Figure Trends 2" ([page 361](#)) that misoperations

were less than 10% in 2006, in 2007 they were less than 40%, in 2008 they were greater than 50%. Over several years, The NERC committees of RAPA and SPCTF and the NERC assessment staff of NERC (they create the LTRA) have all indicated that misoperations is a problem. Thus, current operational or planning issues should be considered in the "other" column.

Proposed Ratings for Projects Included in the Reliability Standard Development Plan:

7. Please review the ratings assigned to each of the individual projects. If you feel that any of the draft ratings are inaccurate, please identify the project number and the specific rating that you believe is inaccurate. Please be specific in identifying what you believe is the correct rating, and provide a justification for that proposed rating.

Comments:

The NSRS disagrees with the values. While there are numbers assigned to each category, there is still subjectivity built into each choice and the NSRS would have made different decisions on a number of these. Assuming others would have varying opinions also, they will end up with different results depending on who is filling out the spreadsheet.

Our specific concerns with each project:

1. Project 2007-17("Protection System Maintenance & Testing") has "25" assigned to it in the column "O" but the explanation for this "25" is that PRC-005-1 is "... one of the most violated standards and needs to be modified to clearly identify maintenance and testing requirements and intervals.", this explanation is already accounted for in the column "L". (50 points were assigned in column "L")
2. Project 2007-11 ("Disturbance Monitoring") is assigned a "50" in the column "H"; it should be a "0" since Digital Fault Recorder's are used for monitoring not protection. Fault recorder data is typically collected after an event not during the event and would not immediately resolve an event since the data needs to be assessed collectively. They are comparable to PMU. (project 2009-04)
3. Project 2007-06 ("System Protection Coordination") has a zero in column "H", not sure why. Coordination is serious. Lack of coordination is a contributing factor in the 2003 blackout report (the blackout report references "relay loadability" which means the relays were not appropriately coordinated). Lack of coordination was also a contributing factor to the eastern interconnection blackout that occurred in the 60's and caused the formation of NERC. Right now, maintenance and testing of protection system is given higher priority than coordination. It seems to me that NERC has misallocated its resources if it believes coordination is less important than maintenance and testing. If a protection system is not designed and coordinated properly, you can maintain and test it all you want it still will not work appropriately. The NSRS would recommend a "100" for column H ("Fill an identified gap in reliability").
4. Project 2006-04 ("Assess Transmission and Future Needs") has a zero in column "H". For the same reasons the NSRS stated in the comment above, #3, I would recommend a "100" for column H ("Fill an identified gap in reliability"). If you don't plan out your system, then it will not operate as expected. If you are an operator you want the system to operate as planned and expected. System operators need to have real-time tools available to ensure that they have exposure to their system in order for them to maintain situational awareness and provide an adequate level of reliability.
5. Project 2007-03 ("Real-time Transmission Operations") has a zero in column "H". For the reasons stated in the 2003 blackout report, the NSRS would recommend a "100" for column H ("Fill an identified gap in reliability").
6. Project 2007-12 ("Frequency Response") has a zero in column "J" ("Coordinate changes with another project"). The NSRS recommends a "30" since this project is expected to spawn another project where generators will have to submit data. The current project only addresses creating a

standard for BAs and TOPs. The existing standard and the future standard will need to be coordinated.

7. Project 2010-05 (“Protection System”) has a “50” in column “H” (“Fill an identified gap in reliability”). The NSRS recommends a “100” for the reasons stated in comments #3 and #4. If your protection system is not designed appropriately than you have a reliability gap. Specifically, NERC has observed a reliability gap to exist in misoperations of protection systems. The percentage of misoperations of protection systems has been increasing over the years that have preceded the 2003 blackout report. The 2009 Long Term Reliability Assessment reported in “Figure Trends 2” ([page 361](#)) that misoperations were less than 10% in 2006, in 2007 they were less than 40%, in 2008 they were greater than 50%. Over several years, The NERC committees of RAPA and SPCTF and the NERC assessment staff of NERC (they create the LTRA) have all indicated that misoperations is a reliability gap.

8. Also, Project 2010-05 has a zero in column J (“Coordination changes with another project”). Technically speaking, this coordination would be with project 2007-06 (“Protection System Coordination”), project 2006-02 (“Assess Transmission and Future Needs”), project 2007-03 (“Real-time Transmission Operations”), and project 2006-04 (“Backup Facilities”), project 2009-03 (“Emergency Operations”), etc. Thus, the NSRS would recommend at least “30” in column J.

9. Project 2006-06 (“Reliability Coordination”). Column H (“Fill an identified gap in reliability”) has a zero, if the Reliability Coordinator is performing acts to prevent instability, uncontrolled separation or cascading outages how would this not be filling a reliability gap? The NSRS would recommend a “100” for this column.

10. Project 2007-02 (“Operating Personnel Communications Protocols”). Column H (“Fill an identified gap in reliability”) has a zero, if the Reliability Coordinator/Transmission Operators are performing acts to prevent instability, uncontrolled separation or cascading outages shouldn’t they use a standard communications protocol, how would this not be filling a reliability gap? The NSRS would recommend a “100” for this column.

11. Project 2010-14 (“Balancing Authority Reliability-based Control”). Column H (“Fill an identified gap in reliability”) has a zero. It looks like it should be higher than zero.

12. Project 2009-01 (“Disturbance and Sabotage Reporting”). Column H (“Fill an identified gap in reliability”) has a zero. According to the NERC definition of adequate levels of reliability, security is a factor of reliable operation of the BES. Since this project defines what a sabotage is, it seems only appropriate that column H be higher than “0”. Since physical security is an imminent threat to hard assets, this number should be at least 75. This project covers reporting and situational awareness for effected entities and others, not to mention informing the RC, NERC and the DOE. The Blackout Report speaks of assuring that communications are enabled at all times and the passing of information is very important to our Electric System’s reliability.

13. **Project 2012-02 (“Physical Protection”)** Column H (“Fill an identified gap in reliability”) has a zero. According to the NERC definition of adequate levels of reliability, security is a factor of reliable operation of the BES. It seems only appropriate that column H be higher than “0”.

8. Please provide any other comments you feel would be beneficial to the Standards Committee in making improvements to the reference document and project prioritization tool.

Comments:

- a. The NSRS appreciates NERC’s efforts to develop a prioritization guide and tool to prioritize Reliability Standards in a more consistent and objective manner. This first version is a reasonable start and we suggest that NERC provide ongoing opportunities for the industry to suggest further improvements and refinement to the guide and tool.

b. The NSRS would like to know who will be rating each project and will the industry have an opportunity to weigh in on these decisions?

c. Regarding Column N: Percent Complete. The NSRS requests that the SC clarify that when a project nears completion, the priority for its completion should be raised. In this tool, the value in Column N (percent completed), is added directly to the prioritization total.

d. It's not clear to me that the Blackout Report is referenced correctly. Project 2009-04 has "25" assigned to it in the column "O" and the explanation is the 2003 Blackout Report but other topics in the blackout report don't have this like assignment. For example, protection system coordination was mentioned in the blackout report but the projects associated with protection system coordination are not assigned "25" like the project 2009-04. The wanting protection system projects are 2007-06 (2006-02 maybe by inference), 2010-05, 2010-13, 2007-09, 2007-01, 2008-02, & 2009-07, etc.