

**DRAFT MEETING AGENDA
MIDWEST RELIABILITY ORGANIZATION
Standards Committee Meeting**

Midwest Reliability Organization Corporate Office – Roseville, MN
June 14, 2010 – 10:00 am

AGENDA ITEM	ACTION	TIME
1 Call to Order a. Determination of Quorum b. Additions to the Agenda c. Standards of Conduct and Anti-Trust Guidelines		10:00 am
2 Consent Agenda a. Approve Meeting Minutes of March 8, 2010 b. Approve Meeting Minutes of May 20, 2010	Action	10:10 am
3 Revised Charter – Dave Acton	Information	10:15 am
4 Standards a. Sector Reports i. Transmission System Operator -Jason Shaver ii. Cooperative Utility – Joe Knight & Dave Rudolph iii. Investor Owned Utility – Larry Larson & Dave Acton iv. Federal Power Marketing Agency – Lloyd Linke v. Large End-use Electricity Customer – Kavita Maini vi. Municipal Utility – Tim Noeldner & Gerry Steffens vii. Canadian Utility – Wayne Guttormson viii. Generator and/or Power Marketer – Mike Garton	Discussion	10:20 am
Break for lunch		11:50 am
c. Open forum on standards	Discussion	12:20 pm
d. Vote on standards	Action	1:45 pm
5 minute break		2:15 pm
5 Administrative –Carol Gerou a. Motion to approve or disapprove SAR to Modify Standard Process Manual b. Motion to approve or disapprove new NSRS member – Mahmood Safi (OPPD) c. Motion to approve or disapprove new non-attendance policy d. Motion to request revision of the BOD Policy & Procedure #3 e. Are additional meetings necessary for the Standards Committee in 2010	Action	2:20 pm
6 Standards Committee Report to Board of Directors – June 24, 2010	Discussion	2:50 pm



<p>7</p>	<p>MRO Reports</p> <ul style="list-style-type: none"> a. NSRS Report – <i>Carol Gerou</i> <ul style="list-style-type: none"> i. <i>New Member</i> <ul style="list-style-type: none"> • MRO SC will be asked to discuss and approve Mahmood Safi's (OPPD) nomination for NSRS membership. b. Standards Manager Report – <i>Carol Gerou</i> <ul style="list-style-type: none"> • Non-attendance policy c. Compliance Committee Update – <i>SC Member</i> d. Reliability Assessment Committee Update – <i>SC Member</i> 	<p>Information</p>													
<p>8</p>	<p>NERC Reports</p> <ul style="list-style-type: none"> a. Interchange Subcommittee – <i>Shane Jenson</i> b. Standards Committee – <i>Carol Gerou</i> c. Compliance and Certification Committee – <i>Terry Bilke</i> d. Regional Reliability Standards Working Group – <i>Carol Gerou</i> <ul style="list-style-type: none"> i) NERC's Draft Template For Quality Review Of Standard e. NERC Drafting Teams <ul style="list-style-type: none"> i) Assess Transmission Future Needs Standards Drafting Team – <i>Tom Mielnik</i> ii) Protection System Maintenance and Testing – <i>Carol Gerou</i> iii) NERC Underfrequency Load Shedding Standard Drafting Team – <i>Carol Gerou</i> iv) Project 2009-01: Disturbance and Sabotage Reporting – <i>Joe DePoorter</i> 	<p>Information</p>													
<p>9</p>	<p>Next Meeting/Future Locations</p> <table border="0"> <tr> <td><u>Date</u></td> <td><u>Group</u></td> </tr> <tr> <td>June 24</td> <td>MRO Board of Directors Meeting</td> </tr> <tr> <td>September 13</td> <td>Face-to-Face SC meeting at MRO</td> </tr> <tr> <td>September 23</td> <td>MRO Board of Directors Meeting</td> </tr> <tr> <td>November 18</td> <td>Face-to-Face SC meeting at MRO</td> </tr> <tr> <td>December 2</td> <td>MRO Board of Directors Meeting</td> </tr> </table>	<u>Date</u>	<u>Group</u>	June 24	MRO Board of Directors Meeting	September 13	Face-to-Face SC meeting at MRO	September 23	MRO Board of Directors Meeting	November 18	Face-to-Face SC meeting at MRO	December 2	MRO Board of Directors Meeting	<p>Information</p>	
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<p>10</p>	<p>Adjourn</p>	<p>Action</p>	<p>3:00 pm</p>												



Agenda 1
Call to Order

Agenda 1
Call to Order
a. Determination of Quorum

**Midwest Reliability Organization
Standards Committee
2010 Roster**

Name	Sector	Company	Term
Jason Shaver	Transmission System Operator	American Transmission Company	December 2010
Dave Rudolph	Cooperative	Basin Electric Power Cooperative	December 2010
Larry Larson	Investor Owned Utility	Otter Tail Power Company	December 2010
Lloyd Linke	Federal Power Marketing Agency	Western Area Power Administration	December 2010
Kavita Maini	Large End-Use Electricity Customer	Wisconsin Industrial Energy Group	December 2010
Dave Acton Vice Chair	Investor Owned Utility	Alliant Energy	December 2011
Joe Knight Vice Chair	Cooperative	Great River Energy	December 2011
Tim Noeldner	Municipal Utility	Wisconsin Public Power, Inc.	December 2011
Gerry Steffens	Municipal Utility	Rochester Public Utilities	December 2012
Wayne Guttormson	Canadian Utility	Saskatchewan Power Corporation	December 2012
Mike Garton	Generator and/or Power Marketer	Dominion Resources Services, Inc.	December 2012
Carol Gerou Secretary		Midwest Reliability Organization	



Agenda 1
Call to Order
b. Additions to the Agenda

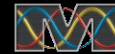
Agenda 1
Call to Order

c. Standards of Conduct and Anti-Trust Guidelines

Standards of Conduct

FERC Standards of Conduct prohibit MRO staff, committee, subcommittee and task force members from sharing non-public transmission sensitive information with anyone who is either an affiliate merchant or could be a conduit of information to an affiliate merchant.

1

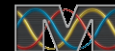


Anti-Trust Reminder

Participants in Midwest Reliability Organization meeting activities must refrain from the following when acting in their capacity as participants in Midwest Reliability Organization activities (i.e. meetings, conference calls, and informal discussions):

- Discussions involving pricing information; and
- Discussions of a participant's marketing strategies; and
- Discussions regarding how customers and geographical areas are to be divided among competitors; and
- Discussions concerning the exclusion of competitors from markets; and
- Discussions concerning boycotting or group refusals to deal with competitors, vendors, or suppliers.

2



Agenda 2
Consent Agenda

- a. Approve Meeting Minutes of March 8, 2010*

Please see the following attachments:

- Meeting minutes of March 8, 2010
- Updated UFLS Data Collection Presentation provided after March 8th meeting.

**DRAFT MEETING MINUTES
MIDWEST RELIABILITY ORGANIZATION
Standards Committee**

Midwest Reliability Organization Corporate Office – Roseville, MN
March 08, 2010 – 11:00 am

1. Call to Order

- a. Determination of Quorum

Chairman Mr. Acton determined that a quorum was met at 11:05am.

The following members, guests, and MRO Staff were present at today's meeting:

Members:	
Dave Acton, Chair, Alliant Energy	Larry Larson, OTP
Joe Knight, Vice Chair, GRE	Jason Shaver, ATC (phone)
Wayne Guttormson, SaskPwr (phone)	David Rudolph, BEPC
Gerry Steffens, RPU	Mike Garton, DRS (phone)
Tim Noeldner, WPPI	

Guests:	
Kenneth Hubona, FERC	Neil Thomson, Sask Power (phone)
Chuck Lawrence, ATC (phone)	
Larry Brusseau, MAPP COR (phone)	

MRO Staff:	
Carol Gerou, Secretary	Jim Burley
Jennifer Matz	John Seidel
Laura Elsenpeter	

Members Absent:	
Kavita Maini, WIEG	
Lloyd Linke, WAPA	

- b. Additions to the Agenda

No additions to the agenda were discussed.

- c. Standards of Conduct and Anti-Trust Guidelines

Mr. Acton reviewed the Standards of Conduct and Anti-Trust Guidelines with the meeting attendees.

2. Consent Agenda

- a. Approve Meeting Minutes of November 19, 2009

Mr. Larson & Mr. Guttormson recommended a change to the first two sentences of the second paragraph in item 3b of the minutes. They recommend it states "...to reconsider the need for review of an implementation process with idea that all jurisdictions may not approve the standard at the same time".

Upon motion duly made by Mr. Larson and seconded by Mr. Steffens, the Standards Committee unanimously approved the minutes of the November 19, 2009 Standards Committee Meeting with the revision to item 3b recommended by Mr. Larson and Mr. Guttormson.

3. UFLS

- a. Data Collection – *John Seidel/Laura Elsenpeter*

Ms. Elsenpeter explained the data collection process, and the statistics collected through 3/8/10. Please refer to agenda item 3a in the agenda packet for details.

- b. Letter to potential UFLS owners – *John Seidel*

Mr. Seidel explained to the committee about MRO's reasons for sending a letter to all registered entities earlier this year in reference to UFLS recommendations. MRO wanted to inform Registered Entities (who are owners or potential owners of UFLS equipment) to be aware of the various activities regarding the UFLS program within the MRO Region. Lastly, provide entities with recommendations to be prepared for the upcoming mandatory standards. Please refer to agenda item number 3b of the agenda package to view the letter.

Committee members had various questions on how the agreements between entities (on how the entities will meet their 3 steps of 10% load shed) would work. Mr. Burley summarized that once NERC firms up the standard, it may define how an entity can meet their obligations.

- c. Status of review – *John Seidel*

Mr. Seidel advised the committee that MRO is utilizing Excel Engineering to review the existing UFLS program using the March 2007 report. MRO hopes to have a second version of the Excel Engineering review drafted soon to forward to NERC.

- d. UFLS SDT Update – *Chuck Lawrence*

i. Report

Mr. Lawrence reported current activities of the UFLS SDT to the committee. He highlighted that the drafting team added four new members, developed preliminary comments for draft 3 of the NERC UFLS standard (PRC-006-1) expected to open for comment sometime in March, and developed a preliminary version of draft 2 of the MRO UFLS standard (PRC-006-MRO-1).

ii. Work plan

Ms. Gerou asked the committee for their approval of the current work plan for the MRO UFLS drafting team. The plan is provided in the agenda packet under agenda item 3dii.

Mr. Acton asked the committee for any concerns with the work plan. No concerns were raised by the committee. Mr. Acton then stated that the committee had no objections with the work plan.

4. Saskatchewan's Standard Adoption Process - *Neil Thomson*

- a. Saskatchewan's efforts to change their standard adoption process

Mr. Thomson informed the committee of Saskatchewan Power's efforts to change their standard adoption process to model the Alberta process. A stakeholder group would be created to provide an opportunity for them to comment on standards. The new process would allow Sask Power to create or modify standards as appropriate with consultation with the stakeholder group, and would be triggered when receiving word of an NERC Board filing approval. If Sask Power proceeds with the new process, then Sask Power may need to review their MOU agreement with MRO to discuss this standard process.

- b. What type of variance criteria Saskatchewan Authority would like to see from MRO

Mr. Thomson stated that Sask Power does not see the need for a variance to adopt Sask Power's process in the US. Their concern with the variance process is the entities the variance impacts should be the only entities to vote.

The committee asked that this topic remain on the MRO Standards Committee agenda as an open item to know the progress.

- c. To discuss what an acceptable variance would look like to the Saskatchewan Authority

This topic was not discussed.

The committee recessed for break at 12:45pm.

The committee reconvened at 1:00pm.

5. SAR – *Carol Gerou*

- a. Variance

Ms. Gerou reviewed the first SAR example in the agenda packet. The purpose of the SAR is to revise the Standards Process Manual version 4.5 to include variance wording.

Modifications were proposed, but the committee chose to not use this SAR example.

- b. All changes to SPM

Ms. Gerou reviewed the second SAR example with the committee. The SAR requests the whole Standard Process Manual be reviewed and revised accordingly with the inclusion of variance wording when necessary. The modifications proposed in 5a were considered; however, the committee agreed to use the SAR from 5b. In this case, the modifications proposed in 5a will be used in 5b.

Ms. Gerou will revise the SAR (5b), and send it to the committee for comments.

6. Enhancements to the RSVP application – *Carol Gerou*

Ms. Gerou discussed the recent OATI quote received for RSVP application enhancements. The enhancements to automate the SAR and Nomination forms are quite costly, and Ms. Gerou recommended that the committee not approve the enhancements. The committee discussed her recommendations and agreed not to approve the enhancements due to the high costs.

7. Standards

- a. Task list – *Carol Gerou*
 - i. Task list as of 2-28-10

Mr. Acton asked the committee to email him or Ms. Gerou if they have anything to add to the task list.

**The committee recessed for break at 2:00pm.
The committee reconvened at 2:05pm.**

- ii. Old lists received

Please refer to agenda item 7a ii of the agenda packet.
- b. Clarification SDT Update – *Tom Mielnik*

- i. Request for another comment period

- *RES-501-MRO-02*

Mr. Acton asked the committee if anyone objects for this standard to have another comment period. No objections were raised. Mr. Acton then stated the committee then approves the standard to go for another comment period.

- *PRC-502-MRO-02*

Mr. Acton asked the committee if anyone objects for this standard to have another comment period. No objections were raised. Mr. Acton then stated the committee then approves the standard to go for another comment period.

- ii. Request for a ballot period

- *TPL-503-MRO-02*

Mr. Larson pointed out to the committee of the wording in section R1, 1.4 stating "1 mile." Ms. Gerou asked if the clarification team should review this. Mr. Larson stated there was no need, but wanted to give a heads up on his concern.

Mr. Acton asked the committee if anyone objects with the standard going to ballot. No objections were raised. Mr. Acton then stated the committee then approves the standard to go to ballot.

- *TPL-504-MRO-02*

The committee raised concern about the standard not being ready for a ballot. The wording in section B, R1, 1.1.1 that states "that is electrically close to a turbine-generator" is not descriptive enough to be auditable and needs to be revised.

Ms. Gerou said she will request the drafting team remove the wording or clarify it to limit the scope of the study.

The committee agreed this standard is not ready to go to ballot and needs work.

iii. Work plan

Ms. Gerou reviewed the work plan with the committee and asked them to concur with the plan.

The committee requested she replace the word "Assumption" with the appropriate Standard it is covering.

Upon motion duly made by Mr. Steffens and seconded by Mr. Knight, the Standards Committee unanimously approved MRO Clarification Standard Drafting Team's work plan as written with the exception that the word "Assumption" be replaced with the appropriate Standard.

8. MRO Reports

a. NSRS Report – *Carol Gerou*

Ms. Gerou referred the committee to her report provided in the agenda packet as agenda item 8a, which listed the status of each standard under development.

b. Standards Manager Report – *Carol Gerou*

Ms. Gerou informed the committee that there was no need to discuss her report, since the key items have already been discussed in the meeting.

c. Compliance Committee Update – *SC Member*

Ms. Gerou informed the committee that she contacted the Compliance Committee about having a member of theirs temporarily involved with the drafting teams to review the Standards Manual. So far, the Compliance Committee has not informed her of their representative. Mr. Knight volunteered to revisit the topic with the Compliance Committee at their meeting on 3/9/10.

Mr. Acton asked Mr. Knight to provide highlights from the meeting he will attend this week.

d. Reliability Assessment Committee Update – *SC Member*

Ms. Gerou informed the committee that she contacted the RAC about having a member of theirs temporarily involved with the drafting teams to review the Standards Manual. So far, the RAC has not informed her of their representative. Mr. Rudolph volunteered to revisit the topic with the RAC at their meeting on 3/10/10.

Mr. Acton asked Mr. Rudolph to provide highlights from the meeting he will attend this week.

9. NERC Reports

a. Interchange Subcommittee – *Shane Jenson*

Please refer to agenda item 9a of the agenda packet for Mr. Jenson's report.

b. Standards Committee – *Carol Gerou*

Ms. Gerou highlighted on activities of the NERC Standards Committee. The key items highlighted were the committee's prioritization of projects, coordination between regions, increase in fees for System Operator Certification test, and the status of NERC projects and interpretations. Please refer to agenda item 9b of the agenda packet for more details.

c. Compliance and Certification Committee – *Terry Bilke*

Please refer to agenda item 9c of the agenda packet for Mr. Bilke's report.

d. Regional Reliability Standards Working Group – *Carol Gerou*

Please refer to agenda item 9d of the agenda packet for Ms. Gerou's report.

e. NERC Drafting Teams

i) Assess Transmission Future Needs Standards Drafting Team – *Tom Mielnik*

No report provided.

ii) Protection System Maintenance and Testing – *Carol Gerou*

Ms. Gerou briefly discussed the highlights from the two face-to-face meetings since the last MRO Standards Committee meeting last November. The drafting team revised a first draft standard (PRC-005-02) and is developing response to comments, updated the definition of Protection System, and is holding the next meeting on March 30th - 31st. Please refer to agenda item 9eii of the agenda packet for more details.

iii) NERC Underfrequency Load Shedding Standard Drafting Team – *Carol Gerou*

Ms. Gerou reported current activities of the NERC UFLS to the committee which included highlights about the team's efforts to redefine the standard EOP-003, the word "Region" to the phrase "Regional Entity geographic footprint," the wording "UFLS entities," and the wording about "Planning Coordinator Group" in the current draft standard (Requirement #1). Please refer to agenda item 9eiii of the agenda packet for more details.

iv) Project 2009-01: Disturbance and Sabotage Reporting – *Joe DePoorter*

Please refer to agenda item 9eiv of the agenda packet for Mr. DePoorter's report.

10. Standards Committee Report to Board of Directors – March 25, 2010

Ms. Gerou and Mr. Acton will write up a report by March 10th.

11. Future of the Standards area – *Jim Burley*

Mr. Burley explained to the committee the reason for the email sent out by MRO President Dan Skaar on March 5th about the new MRO Strategic Initiatives. He informed the Board of Directors began a discussion on strategic initiatives to guide MRO in the future. The Board and staff decided an overall mission for MRO, which will help align MRO's Initiatives in the future. MRO staff embraced these initiatives, and has re-aligned to meet them. Mr. Burley commented that MRO would need the assistance of the Standing Committees to fully reach these goals. As a result of this discussion, the Standards Committee concluded that it would be beneficial to review the committee's charter, and

make it the focus of the next meeting. Mr. Steffens proposed the committee create a Subgroup that will meet to discuss the focus of the next meeting. The committee agreed, and Mr. Shaver, Mr. Acton, and Ms. Gerou volunteered to participate.

12. Next Meeting/Future Locations

<u>Date</u>	<u>Group</u>
March 25	MRO Board of Directors Meeting
June 14	SC WebEx Conference Call
June 24	MRO Board of Directors Meeting
September 13	SC WebEx Conference Call
September 23	MRO Board of Directors Meeting
November 18	Face-to-Face SC meeting at MRO
December 2	MRO Board of Directors Meeting

Mr. Knight raised the concern about the timing of the next meeting. The compliance workshop maybe that day. The committee agreed to leave the meeting date as is, and discuss after Compliance firms up the date for the workshop. Ms. Gerou will speak with Mr. VanOsdol.

Mr. Steffens proposed the committee consider having a face-to-face for the next committee meeting rather than a WebEx conference call. He stated the Committee has a lot to work through having a new focus. The committee decided to hold off making that decision until Compliance determines a date for the workshop, and the Subgroup has met.

13. Adjourn

Upon motion duly made by Mr. Noeldner and seconded by Mr. Steffens, the Standards Committee unanimously approved to adjourn the meeting.

Updated UFLS Data Collection Presentation



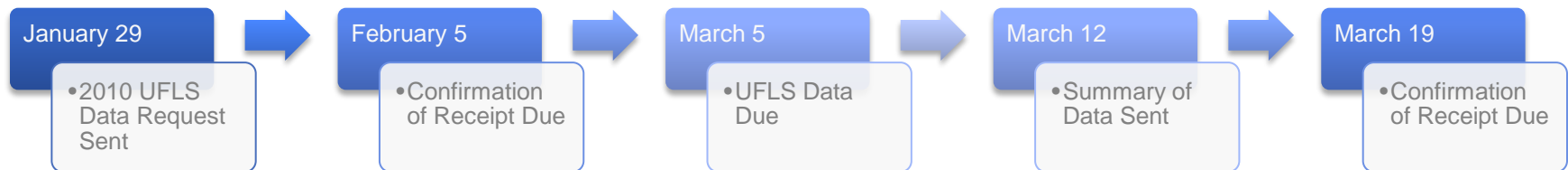
UFLS Data Collection

2010 Model Series



MRO 2010 UFLS Data Collection

- Required Data Requested
 - Breaker Time (sec) (Tb)
 - Point Pickup time for each step (sec) (tx)
 - Load Shed at each step (MW) (Px)
- Additional information Requested
 - Entity Name & Contact Information
 - Data Submitter Name & Contact Information
 - Electro-Mechanical Relay Information
 - Company participation in MRO Load Shedding Program



2010 UFLS Data Submitted

Graph will be provided at meeting



2010 UFLS Data Submitted

- Preliminary Data
 - Based on data received so far
 - Missing information from 3 Entities

MRO U.S. 2010 Summer Peak Load:				53305.92
Frequency (Hz)	59.3 Hz	59.0 Hz	58.7 Hz	Total
Load Shed (MW)	5868.51	5292.83	5382.6	16543.94
Percent %	11.01%	9.93%	10.10%	31.04%

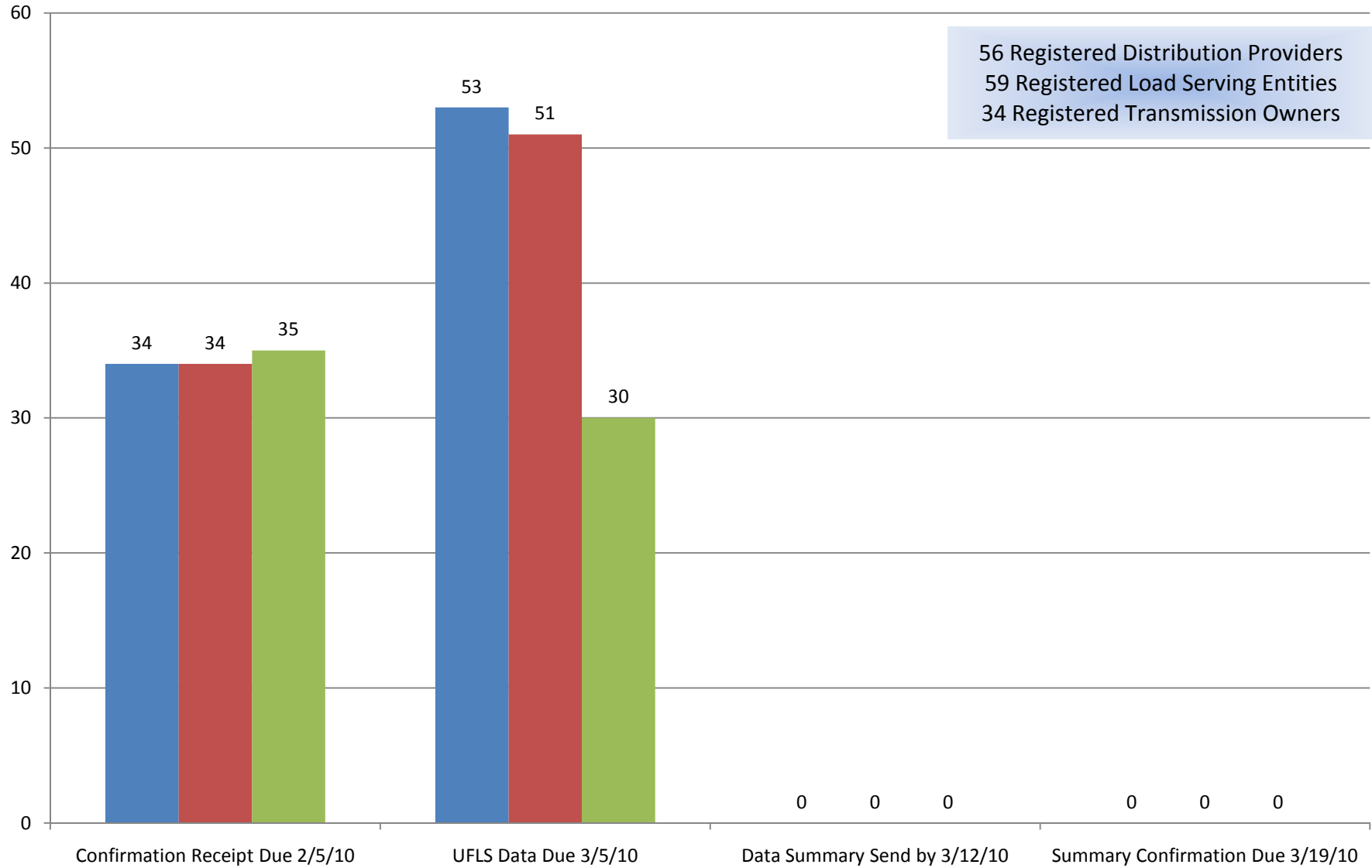


ATTACHMENT #1

2010 On-Time UFLS Responses

■ Load Serving Entity ■ Distribution Provider ■ Transmission Owner

56 Registered Distribution Providers
59 Registered Load Serving Entities
34 Registered Transmission Owners



Agenda 2
Consent Agenda

- b. Approve Meeting Minutes of May 20, 2010*

Please see the attached meeting minutes.



**DRAFT MEETING MINUTES
MIDWEST RELIABILITY ORGANIZATION
Standards Committee**

Midwest Reliability Organization Corporate Office – Roseville, MN
May 20, 2010 – 9:30 am

The following members, guests, and MRO Staff were present at today's meeting:

Members:	
Dave Acton, Chair, Alliant Energy	Gerry Steffens, RPU
Joe Knight, Vice Chair, GRE	Larry Larson, OTP
Mike Garton, DRS	Jason Shaver, ATC
Lloyd Linke, WAPA	
Wayne Guttormson, Sask Power	

Guests:	
Chuck Lawrence, ATC	
Tim Mielnik, MidAmerican	
David Jacobson, Manitoba Hydro	

MRO Staff:	
Jennifer Matz	
Carol Gerou, Secretary	
Jim Burley	

Members Absent:	
Kavita Maini, WIEG	Tim Noeldner, WPPI
David Rudolph, BEPC	

Chairman Mr. Acton determined that a quorum was met at 9:35am.

1) Opening Remarks

a. MRO Scorecard

Mr. Burley reviewed with the Committee the MRO Scorecard.

b. Strategic Initiatives Update

Mr. Burley provided an update to the Committee on the initiatives.

2) Charter

Chair Acton highlighted to the Committee that due to the new focus of the Standards Committee, it is necessary for the Committee's charter to be revised.

The committee recessed for a break at 11:00am

The committee reconvened at 11:05am

Ms. Gerou presented the current and the proposed organizational flow of the Standards Committee, which illustrated how the Committee's proposed new charter would change the existing organizational flow. One of the key changes is identifying how the Subject Matter Experts (SME) will participate to provide assistance to the Standards Committee. With the revision of the charter, SME groups will be established; these groups will provide comments or offer other assistance to the SC such as developing application guides. Mr. Burley stated to the Committee that SMEs are a way for the Standards Committee to utilize their resources more effectively.

Currently, the NERC Standards Review Subcommittee (NSRS) receives the request to comment or vote on projects. For the most part, the NSRS consists of primary compliance contacts. These primary compliance contacts gather comments from their SMEs and their company's voting positions.

In the future, when projects are out for comment, the SME groups would be responsible for developing comments and voting positions; however, it was suggested that the primary compliance contacts be copied on the request for commenting so that other SMEs not part of the established group could be involved in developing the comments, should they chose to participate.

The Committee reviewed and revised each bullet on the charter.

Chair Acton asked for a motion to approve the revised charter.

Upon motion duly made by Mr. Larson and seconded by Mr. Garton, the Standards Committee unanimously approved the revised charter.

The Committee raised a concern about not having an implementation plan ready ten days prior to the board meeting. Chair Acton asked the Committee for a motion to vote on forming a group, which would create an implementation plan for the Committee to discuss at the next Standards Committee meeting on June 14th.

The Standards Committee unanimously approved to form a group which will create an implementation plan by the next Standards Committee meeting on June 14, 2010.

Three volunteers came forward (Mike Garton, Dave Acton, and Gerry Steffens) to participate. The volunteers will meet starting June 3, 2010.

Chair Acton informed the Committee that he would propose the revised charter and implementation plan to the board on June 24, 2010 for approval.

3) Workgroups/Subcommittees

This was presented to the Committee under agenda item 2.

Ms. Gerou directed the Committee to the MRO Regional Reliability Standards development process in the Standards Manual. She discussed how consensus building is throughout the whole process, and that the Standards Committee has overseeing authority in the process up until they present the industry approved standard to the Board of Directors. At which point, the Board of Directors will determine if the standard still has consensus and may ask the Standards Committee for their guidance.

4) What to do with the 6 Regional Standards

Chair Acton highlighted that the Drafting Team Leads will present the regional reliability standards, and that the Committee would need to vote at the next meeting on whether to continue or discontinue efforts on each of the regional standards. Or vote to proceed as proposed in the various options given by the Drafting Team Leads in their presentations.

The MBAL-002-0 ("Operating Reserve Spinning") standard was not discussed and it's currently not being revised; however, Mr. Jacobson had proposed that it be added to the agenda so that a possible update to this standard could be discussed.

5) Pro's/Con's of Standards

Please refer to agenda item 6.

6) PRC-006-MRO-01 (Under Frequency Load Shedding)

Mr. Lawrence presented to the Committee on the purpose, history, and proposed plan of the standard. He explained the difference between version zero and version 1 of the standard. Mr. Lawrence emphasized that he does not for see the future NERC standard agreeing with the MRO regional standard, and feels that it is essential that the Committee consider proceeding with version 1.

TPL-504-MRO-02 (Subsynchronous Resonance)

Mr. Jacobson informed the Committee of the background on the Clarification Drafting Team standards, purpose, and current status of this standard and the other regional standard (PRC-502-MRO-02) which he is developing.

Mr. Jacobson wants to modify this standard (TPL-504-MRO-02 ("Subsynchronous Resonance")) to consider wind turbine controls interaction; once he has made the modifications then he would like to see draft 4 of the standard submitted for a final round of comments prior to balloting.

PRC-502-MRO-02 (Power System Stabilizer)

He stated that draft 4 of this standard was submitted for comments from March 15 through April 14, 2010 and only three people have provided their comments. Mr. Jacobson recommends the Committee accept the changes made to draft 5 of the standard as errata changes and submit for balloting.

TPL-503-MRO-02 (System Performance)

Mr. Mielnik discussed the current status of the standard. He informed the Committee of the proposed NERC standard TPL-001-1 and how TPL-503-MRO-02 has slightly different system adjustments than TPL-503-MRO-02. In addition, FERC already has directives requesting changes to the NERC TPL standards. Mr. Mielnik believes that within one year, MRO will need to revise TPL-503-MRO-02 if TPL-001-1 is adopted by NERC BOT. He recommended that the Committee not revote the standard due to the recent FERC orders requiring changes, and end efforts on the standard if NERC BOT adopts TPL-001-1.

RES-501-MRO-02 (Planned Resource Adequacy Assessment)

Mr. Mielnik informed the Committee on the purpose and current status of the RES-501-MRO-02 standard. NERC has a project to develop a NERC Resource Adequacy Assessments standard, which will require revision to RES-501-MRO-02. He emphasized with low participation from entities the standard does not represent the diversity of the MRO's footprint. Mr. Mielnik presented four options to the committee for future development efforts on this standard. Out of the four options, he recommends option one. The option recommends to ballot the document as a regional procedure, have the board adopt the document so version two of the standard replaces BOD approved version one, consider documenting the standard as a requirement for good utility practice not subject to direct NERC/FERC penalties, and do not submit to NERC or FERC for further reviews and approvals.

7) Adjourn

Chair Acton turned to the floor requesting a motion to adjourn the meeting.

Upon motion duly made by Mr. Steffens and seconded by Mr. Knight, the Standards Committee unanimously approved to adjourn the meeting at 3:25 pm.

Agenda 3
Revised Charter – Dave Acton

Please see the presentation attached.

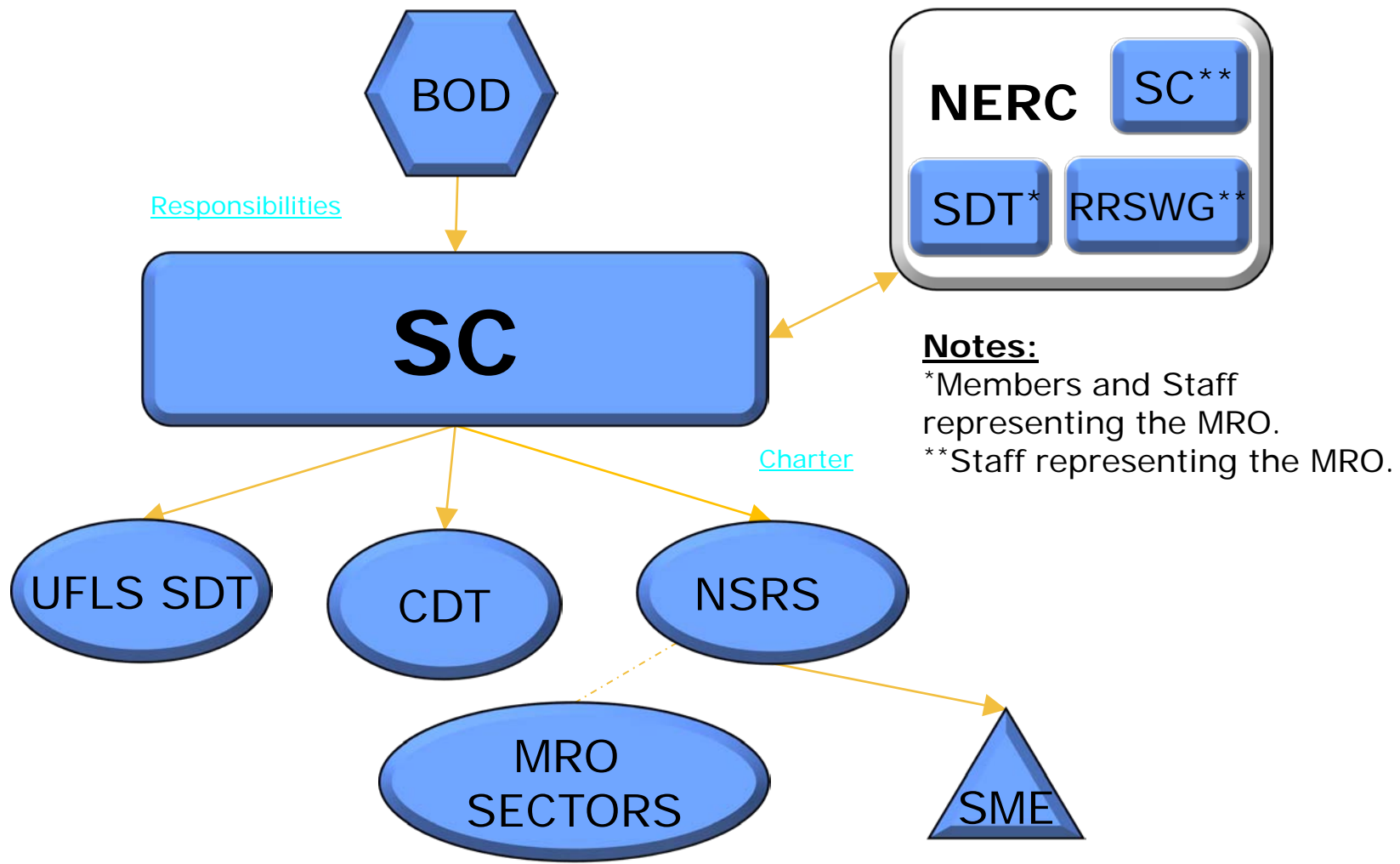


Revised Charter

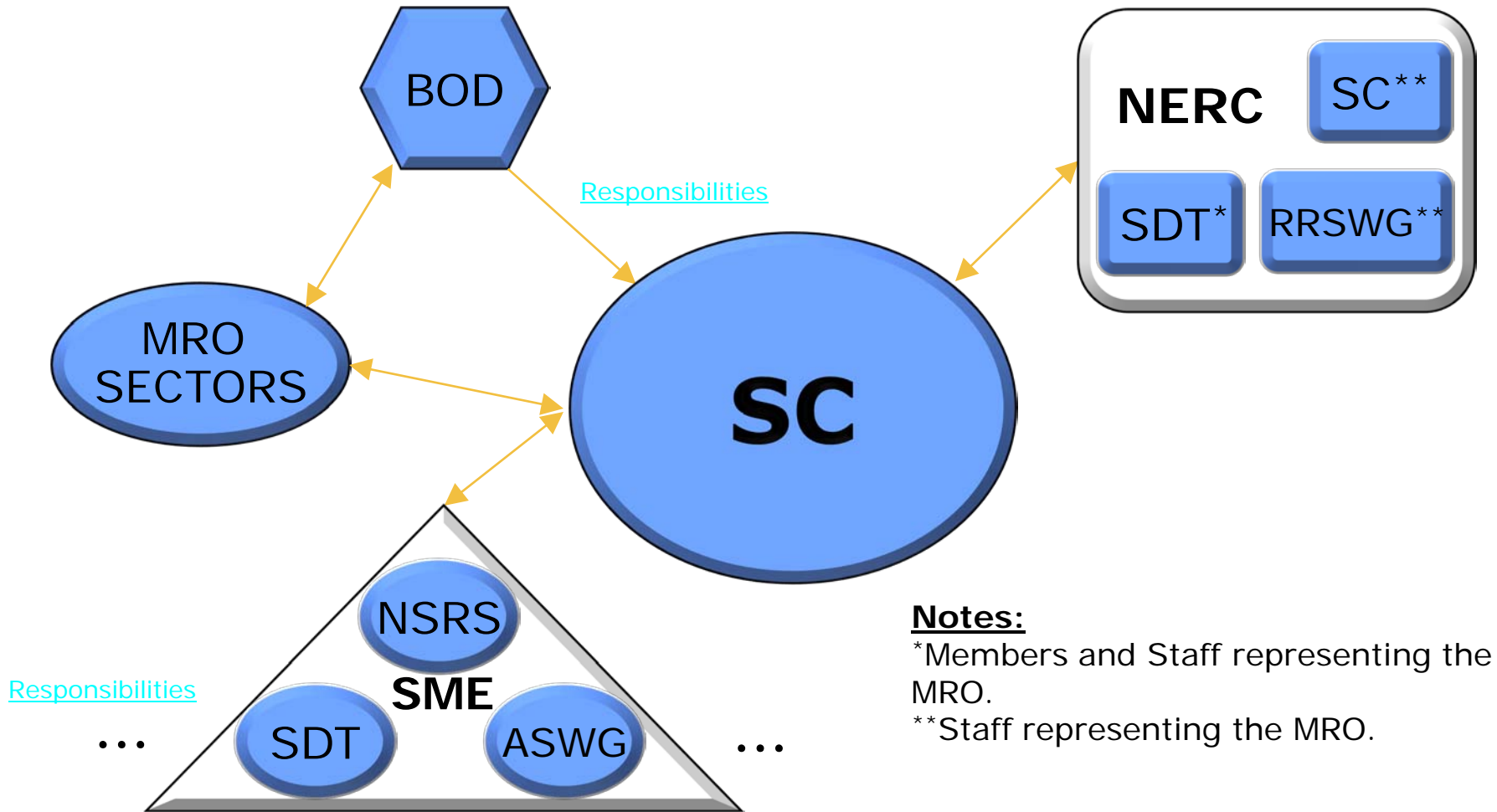
Standards Committee Meeting
June 14, 2010



Current Organizational Flow



Proposed Organizational Flow



Ad-hoc SME Working Groups (ASWG)

1] Non-binding Application Guide Task Forces (ANAGTF)

- Will Create an non-binding application guide or white paper. Documentation to be included:
 - Documentation to summarize non-binding application guide.
 - Examples to show compliance.
 - Periodic articles or perhaps just input for SC monthly news letter.
- Lead reviewers and developers of comments for standards under development associated with the non-binding application guide.
- Training:
 - Webinars
 - Presentations at various forums
 - Emails

2] Standards Under Development Task Forces (ASUDTF)

- Lead reviewers and developers of comments on standards under development.
- At least 3 or more individuals.
- Must agree to submit comments back to SC.



NERC Standards Review Subcommittee

- Develops voting positions.
- Forwards standard under development to SME.
- Consolidates comments weekly from SMEs.
- Quarterly reviews and identifies “application issues” within requirements for FERC approved standards.



Standard Draft Teams

- Develops standard and associated supporting material.
- Produces work product as defined in Standards Process Manual.
- Reports status of standard development.
- Periodically provides articles or perhaps just input for the Standards Committee monthly newsletter.
- Lead reviewers and developers of comments for standards under development specific to the scope of the Standard Drafting Team.
- Training:
 - Webinars
 - Presentations at various forums
 - Email



New Activities Standards Committee

- MRO Staff to distribute request for standard under development comments to Primary Compliance Contact. PCC will be asked to forward comments to their SME.
- Oversees development of non-binding Application guides and other documents.
- Oversees Ad-hoc SME Working Groups.
- Reviews and approves NSRS voting positions.





Questions/Comments



Agenda 4 Standards

a. Sector Reports

- i. Transmission System Operator -Jason Shaver*
- ii. Cooperative Utility – Joe Knight & Dave Rudolph*
- iii. Investor Owned Utility – Larry Larson & Dave Acton*
- iv. Federal Power Marketing Agency – Lloyd Linke*
- v. Large End-use Electricity Customer – Kavita Maini*
- vi. Municipal Utility – Tim Noeldner & Gerry Steffens*
- vii. Canadian Utility – Wayne Guttormson*
- viii. Generator and/or Power Marketer – Mike Garton*



Agenda 4
Standards

b. Open forum on standards



Agenda 4
Standards

- c. Vote on standards*



Agenda 5

Administrative – Carol Gerou

- a. *Motion to approve or disapprove SAR to Modify Standard Process Manual*

Please see the SAR attached.

Standard Authorization Request Form**Assigned SAR Label:** (for in office use only)

Title of Proposed Standard	Revise Standards Process Manual
Request Date	02/08/2010

SAR Requestor Information	SAR Type (Check a box for each one that applies.)	
Name Carol Gerou	<input type="checkbox"/>	New Standard
Primary Contact Midwest Reliability Organization, Standards Process Manager	<input type="checkbox"/>	Revision to existing Standard
Telephone 651-855-1735 Fax 651-855-1712	<input type="checkbox"/>	Withdrawal of existing Standard
E-mail ca.gerou@midwestreliability.org	<input type="checkbox"/>	Urgent Action
	<input checked="" type="checkbox"/>	Other

Purpose (Describe the purpose of the standard — what the standard will achieve in support of reliability.)

To revise the Standards Process Manual version 4.5 which was approved by the MRO Board of Directors on March 26, 2009.

Industry Need (Provide a detailed statement justifying the need for the proposed standard, along with any supporting documentation.)

A review of the current Standards Process Manual should be considered. This review would consider modifying the wording to address a process to apply for a variance, what criteria should be met for this variance, and how it can be withdrawn or accepted. While this section is being revised, I would also like to ask that the Standards Process Manual be reviewed in general, and updated, accordingly. This review would include removing any processes found to conflict with the Stakeholder authority. Both revisions will help to make the Standards Development Process more efficient by giving it more flexibility and by preserving Stakeholder authority.

Brief Description (Describe the proposed standard in sufficient detail to clearly define the scope in a manner that can be easily understood by others.)

This SAR is to start a review of the Standards Process Manual as such not all revisions are known at this time however, the following are a list of the general revisions that should be considered for incorporation into the manual:

1. Add the process to apply for a sub-regional variance, what criteria should be met for a sub-regional variance, how to withdraw or accept a sub-regional variance.
2. Add more posting flexibility for the Standards Development process in general to accommodate for holidays.
3. Add a legal review to the Standards Development process preferably before leaving Step 8 ("Analysis of the Comments and Field Test Results"). Once this step is left, the standard cannot be revised.
4. In general, clean up of the manual to reflect current processes and preserve Stakeholder

authority. For example, the manual references certain criteria, processes, or acronyms but they are currently not defined or not followed. Specifically, Page 36 (Appendix D) references to circumstances where a participant in one industry segment can be moved to another industry segment. These circumstances are not defined. This same page under segment 2 references to "check FERC definition" which seems vague and open-ended. Also, Revise the Interpretation process to allow Stakeholder input. Specifically, add a comment period and tracking status to the current process.

Reliability Functions

The Standard will Apply to the Following Functions (Check box for each one that applies.)		
<input checked="" type="checkbox"/>	Reliability Coordinator	Responsible for the real-time operating reliability of its area and in coordination with its neighboring Reliability Coordinator's wide-area view.
<input checked="" type="checkbox"/>	Balancing Authority	Integrates resource plans ahead of time, and maintains load-interchange-resource balance within its metered boundary and supports system frequency in real time.
<input checked="" type="checkbox"/>	Interchange Authority	Authorizes valid and balanced Interchange Schedules.
<input checked="" type="checkbox"/>	Planning Coordinator	Assess the longer-term reliability of its area and neighboring area.
<input checked="" type="checkbox"/>	Resource Planner	Develops a long-term (>one year) plan for the resource adequacy of specific loads within a Planning Coordinator's area.
<input checked="" type="checkbox"/>	Transmission Planner	Develops a long-term (>one year) plan for the reliability of transmission systems within its portion of the Planning Coordinator area.
<input checked="" type="checkbox"/>	Transmission Service Provider	Provides transmission services to qualified market participants under applicable transmission service agreements
<input checked="" type="checkbox"/>	Transmission Owner	Owns transmission facilities.
<input checked="" type="checkbox"/>	Transmission Operator	Operates and maintains the transmission facilities, and executes switching orders.
<input checked="" type="checkbox"/>	Distribution Provider	Provides and operates the "wires" between the transmission system and the customer.
<input checked="" type="checkbox"/>	Generator Owner	Owns and maintains generation unit(s).
<input checked="" type="checkbox"/>	Generator Operator	Operates generation unit(s) and performs the functions of supplying energy and Interconnected Operations Services.
<input checked="" type="checkbox"/>	Purchasing-Selling Entity	The function of purchasing or selling energy, capacity, and all necessary Interconnected Operations Services as required.
<input checked="" type="checkbox"/>	Market Operator	Integrates energy, capacity, balancing, and transmission resources to achieve an economic, reliability-constrained dispatch.
<input checked="" type="checkbox"/>	Load-Serving Entity	Secures energy and transmission (and related generation services) to serve the end user.

NERC Reliability and Market Interface Principles

Applicable Reliability Principles (Check box for all that apply.)	
<input checked="" type="checkbox"/>	1. Interconnected Bulk Electric Systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
<input checked="" type="checkbox"/>	2. The frequency and voltage of interconnected bulk electric systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
<input checked="" type="checkbox"/>	3. Information necessary for the planning and operation of interconnected bulk electric systems shall be made available to those entities responsible for planning and operating the systems reliably.
<input checked="" type="checkbox"/>	4. Plans for emergency operation and system restoration of interconnected bulk electric systems shall be developed, coordinated, maintained and implemented.
<input checked="" type="checkbox"/>	5. Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk electric systems.
<input checked="" type="checkbox"/>	6. Personnel responsible for planning and operating interconnected bulk electric systems shall be trained, qualified, and have the responsibility and authority to implement actions.
<input checked="" type="checkbox"/>	7. The security of the interconnected bulk electric systems shall be assessed, monitored and maintained on a wide area basis.
<input checked="" type="checkbox"/>	8. Bulk power systems shall be protected from malicious physical or cyber attacks.
Does the proposed Standard comply with all of the following Market Interface Principles? (Select 'yes' or 'no' from the drop-down box.)	
	1. The planning and operation of Bulk Electric Systems shall recognize that reliability is an essential requirement of a robust North American economy. Yes
	2. A MRO Regional Reliability Standard shall not give any market participant an unfair competitive advantage. Yes
	3. A MRO Regional Reliability Standard shall neither mandate nor prohibit any specific market structure. Yes
	4. A MRO Regional Reliability Standard shall not preclude market solutions to achieving compliance with that Standard. Yes
	5. A MRO Regional Reliability Standard shall not require the public disclosure of commercially sensitive information. All market participants shall have equal opportunity to access commercially non-sensitive information that is required for compliance with reliability standards. Yes

Regional Differences

Region	Explanation
TRE	
FRCC	
MRO	
NPCC	
SERC	
RFC	
SPP	
WECC	

Agenda 5

Administrative – Carol Gerou

- b. Motion to approve or disapprove new NSRS member – Mahmood Safi (OPPD)*

Mahmood Safi's bio and summary of work history:

Power Industry Experience:

About 10 years of experience in power industry including:

- Sr. Transmission Services (Standards and Compliance) Engineer (Current) – coordinate/lead all OPPD's NERC/FERC compliance and standards development activities. I am also OPPD's PCC alternate.
- Sr. Engineer Transmission & Distribution Planning – T&D System Planning and Design including Distribution Planning supervisory responsibilities.

Education:

MBA from Creighton University at Omaha, NE

BSEE from University of Nebraska at Lincoln, NE

Others:

Licensed Professional Engineer (PE) in the State of Nebraska.

Member of NERC's Standards Committee Communications & Planning Subcommittee.

Agenda 5

Administrative – Carol Gerou

- c. Motion to approve or disapprove new non-attendance policy*

Please see the Policy and Procedure 1 document attached.

Midwest Reliability Organization
Policy and Procedure 1: Board Administration

Objective

The objective of this Policy and Procedure is to set forth the Midwest Reliability Organization (“MRO”) Policy Procedure regarding board administration.

Policy

Pursuant to Section 7.3 of the MRO bylaws, a governing board of nineteen (19) members, representing nine (9) sectors, shall be elected by the sectors. The Directors will serve three-year, staggered terms.

Responsibilities

- a. The duties of the board will include, but will not be limited to the following:
 1. govern the Corporation and oversee all of its activities;
 2. establish and oversee all organizational groups;
 3. oversee accomplishment of all functions set forth in any delegation or other agreement with NERC or any governmental entity related to development, monitoring and enforcement of Reliability Standards and related matters;
 4. approve, revise, and enforce Organizational Standards, Member data and information requirements and related confidentiality requirements;
 5. establish compliance monitoring procedures and requirements, and penalties and sanctions for non-compliance for Organizational Standards;
 6. impose penalties and sanctions for violation of Organizational Standards consistent with the Bylaws and the procedures approved by the board;
 7. establish and approve an annual budget;
 8. represent the corporation in legal and regulatory proceedings; and
 9. hire the President.
- b. The Board of Directors shall select a Chair and Vice-Chair from among the members of the board. The board may establish board committees as appropriate.
- c. The chair is the presiding officer of the board and Member meetings. When the chair is unavailable, the vice-chair assumes the chair duties. The chair and vice-chair are elected by the board following the annual member meetings. The chair and vice-chair serve one-year terms and may serve no more than two consecutive terms.

Composition of the Board of Directors

The board of directors shall consist of nineteen (19) board members elected by the Sectors as follows:

- (a). Three (3) directors from the Transmission System Operator Sector;
- (b). Two (2) directors from the Generator and/or Power Marketers Sector;
- (c). Five (5) directors from the Investor Owned Utility Sector;
 - (1). Two (2) directors must be from utilities with less than 3,000 megawatts of end-use load.
 - (2). Three (3) directors must be from utilities with greater than 3,000 megawatts or greater of end-use load.

- (d). Two (2) directors from the Cooperative Sector;
- (e). Two (2) directors from the Municipal Utilities Sector;
- (f). One (1) director from the Federal Power Marketing Agencies;
- (g). Two (2) directors from the Canadian Utilities Sector provided that both directors are not residents of the same Canadian Province;
- (h). One (1) director from the Large End-Use Electricity Customers Sector; and
- (i). One (1) director from the Small End-Use Electricity Customers Sector.

Provisions

1. Meetings

- a. An annual meeting of the board of directors shall be held without notice immediately following the annual meeting of the Members to elect the chair and vice-chair for the next year. In addition, regular meetings may be held at such time or times as fixed by the board of directors. Schedules of regular meetings of the board of directors shall be published by the secretary and provided to all Members.
- b. Special meetings of the board of directors may be called by the President or by three directors and shall be held at the principal office of the Corporation, or such other place within the Corporate Region as determined by the president after consultation with the board. Notice of the date, time, and place of a special meeting shall be given by the secretary not less than seven (7) days prior to the meeting by mail, telegram, or electronic communication to each director and Member.
- c. Two-thirds (2/3) of the directors currently holding office is a quorum for the transaction of business. In the absence of a quorum, a majority of the directors present may adjourn a meeting from time to time until a quorum is present.
- d. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by law or the Bylaws.
- e. If two (2) board members attend a board meeting from the same organization, the seated board member has privilege over an alternate.
- f. Conduct of meetings is in accordance with *Robert's Rules of Order (Modern Edition)* unless otherwise specified in the Corporate Bylaws or Articles of Incorporation.
- g. Except as necessary to discuss personnel issues, litigation, or similar sensitive or confidential matters, all meetings of the board of directors shall be open to Members and other interested persons.
- h. Generally, personal attendance is required for all board meetings unless the meeting is specified as an electronic or conference call meeting. A director may be removed by the board of directors for non-attendance of three consecutive board meetings.

- i. If a director resigns, dies, changes corporate affiliation, or is removed during the term of office for which elected, the directorship shall thereupon be vacant and shall be filled by the Members of the respective sector, by written or electronic ballot, in accordance with the procedures and requirements. The successor director elected by the Members of the sector shall hold office for the unexpired term of the director replaced. Any director may be removed at any time by an affirmative vote of two-thirds (2/3) of the Members of the sector selecting such director.

2. Officers

- a. The officers of the Corporation shall include a president, a secretary, a treasurer, and any other officers as may be elected or appointed.
- b. The officers of the Corporation shall be elected by the board of directors.
- c. Any officer elected or appointed by the board of directors may be removed by the affirmative vote of two-thirds (2/3) of the entire board of directors.
- d. The president shall be, in the discretion of the board of directors, either an employee of, or contractor to, the Corporation and shall be the principal executive and operating officer of the Corporation; sign certificates of membership, and may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, or other instruments authorized by the board of directors to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board of directors or the Bylaws to some other officer or agent of the Corporation; and perform all duties incident to the office of president, including hiring and directing staff, and such other duties as may be prescribed by the board of directors from time to time.
- e. The Secretary shall ensure that the minutes of the meetings of the Members and board of directors are recorded; all required notices are duly given in accordance with the Bylaws and as required by law; a register of the current names and addresses of all Members is maintained; a complete copy of the articles of incorporation and Bylaws of the Corporation containing all amendments thereto are kept on file at all times; and perform all duties incident to the office of secretary and such other duties as may be prescribed by the board of directors from time to time.
- f. The treasurer shall maintain custody of all funds and securities of the Corporation; receipt of and the issuance of receipts for all monies due and payable to the Corporation and for deposit of all such monies in the name of the Corporation in such bank or banks or financial institutions as shall be selected by the board of directors; and perform all duties incident to the office of treasurer and such other duties as may be prescribed by the board of directors from time to time.

3. Organizational Groups of the Board

- a. The board of directors shall establish such organizational groups, consisting of committees, subcommittees, task forces, and working groups of Members, as are necessary and appropriate to accomplish the purposes of the Corporation.
- b. All organizational groups shall be subject to the direction and control of the board.

- c. The membership of the organizational groups shall be determined based upon experience, expertise, and geographic diversity and to the extent practicable shall include balanced representation of the sectors unless otherwise specified in the Bylaws or by law.
 - d. The board shall conduct a review of all organizational groups of the Corporation on an annual basis to ensure that the business of the Corporation is conducted in an efficient, cost-effective manner and shall include a statement of its conclusions and resulting actions in the board's report to Members at the annual meeting.
4. Administration
- a. The Corporation shall keep at its registered office correct and complete copies of its minutes of meetings for the board of directors. Draft minutes will be reviewed by the chair, vice chair, president and secretary prior to distribution to the entire board. Draft minutes will be available to the board within seven (7) working days after any scheduled board meeting. After five (5) days of board review, the draft minutes will be posted to the MRO website for access. Approved meeting minutes will be available via the MRO website within seven (7) working days of being approved by the board.

Agenda 5

Administrative – Carol Gerou

- d. Motion to request revision of the BOD Policy & Procedure #3*

Please see the Policy and Procedure 3 document attached.

Midwest Reliability Organization
Policy and Procedure 3: Establishment, Responsibilities, and Procedures
of Organizational Groups

Objective

The objective of this Policy and Procedure is to establish organizational groups of the Midwest Reliability Organization, Inc. ("MRO") and their respective responsibilities and procedures. The following organizational groups in this policy and procedure are hereby established and report to the MRO Board of Directors ("MRO Board").

Policy

This Policy/Procedure is established pursuant to Section 8.1 of the Bylaws of the MRO and is intended to establish the organizational groups of the MRO and their responsibilities and the procedures applicable to all organizational groups of the MRO. For the purposes of this Policy and Procedure, the term "committee" as used in this document shall mean all organizational groups of the MRO, including committees, subcommittees, task forces, and working groups approved by the MRO Board.

Objectives and Responsibilities

1. Standards Committee

Objective:

Reporting to the MRO Board, the Standards Committee ensures that MRO regional Reliability and Organizational Standards are consistent with current NERC Reliability Standards. The Standards Committee ensures that all requests for new or modifications to MRO Standards are proposed regional Reliability Standards are processed using the MRO's Standards Development Process.

Responsibilities:

The Standards Committee shall:

- Recommend to the MRO Board, regional representatives for NERC standards development and drafting related working groups and committees.
- Provide regular reports to the MRO Board on matters related to regional Reliability or Organizational Standards and activities of the Standards Committee.
- Maintain standards development process documentation for regional Reliability Standards and Organizational Standards.
- Present new or modifications to existing MRO regional Reliability or Organizational Standards to the MRO Board upon recommendation of the MRO Balloting Pool.
- Present new or modifications to existing regional Reliability or Organizational Standards to the MRO Board prior to proposal to NERC.
- Periodically review NERC Reliability Standards and their applicability to Registered Entities.
- Assign proposed regional Reliability or Organizational Standards to a Standard Drafting Team.
- Recommend to the MRO Board, regional representatives for NERC standards development and drafting related working groups and committees.

- Provide regular reports to the MRO Board on matters related to regional Reliability or Organizational Standards and activities of the Standards Committee.

2. Reliability Assessment Committee

Objective:

Reporting to the MRO Board, the Reliability Assessment Committee (RAC) reviews and consolidates the reports of the overall reliability of the MRO region, both existing and planned. The RAC verifies that assessments performed within the MRO region conform to MRO and NERC Reliability Standards. Areas that the RAC and its sub-groups focus on include: protection and control standards, special protection scheme reviews, resource adequacy, integration of accelerated renewable generation, NERC and regulatory data requests, system modeling, and reviews of regional reliability criteria and procedures.

Responsibilities:

The Reliability Assessment Committee shall:

- Assess the bulk electric system using the MRO and NERC Reliability Standards and provide assessments to the Board and NERC.
- Annually assess the overall reliability of the MRO region and interregional bulk electric system plans over a five-year and ten-year horizon.
- Seasonally (summer and winter) assess the overall reliability of the MRO region and interregional bulk electric system from an operational planning perspective.
- Annually (or as often as required by NERC) assess the MRO region for an emerging issue/scenario as determined by NERC and/or MRO Board
- Perform special reliability assessments on a Regional, Interregional, and Interconnection basis as conditions warrant, or as directed by the Board or NERC.
- Review system event type analyses on a Regional, Interregional, and Interconnection basis as conditions warrant.
- Annually prepare an MRO set of powerflow and dynamics models as determined by the Model Building Subcommittee. Provide these models to the Eastern Interconnection Reliability Assessment Group (ERAG) and its applicable working groups for use in interconnection-wide model building.
- Perform all Regional Entity responsibilities associated with the Protection and Control Standards, including mis-operations, review of special protection schemes, UFLS criteria, disturbance monitoring criteria, etc.
- Perform all Regional Entity responsibilities associated with the existing and future TPL and MOD Standards, as they apply to Reliability Assessments.
- Participate in and support all MRO Subcommittees, Working Groups and Task Forces that report to the RAC.
- Participate in and support the ERAG Management Committee, Steering Committees and Working Groups that reports to the ERAG.
- Participate in and represent the MRO region in all NERC groups, as required that report to the NERC PC and OC.
- Provide regular reports to the MRO Board on matters related to the reliability assessments and activities of the RAC and its working groups.

3. Compliance Committee

Objective:

Reporting to the MRO Board, the Compliance Committee shall provide objective stakeholder input to the MRO Compliance and Enforcement Program (CMEP). The committee shall also oversee the compliance and enforcement training and education initiatives for Registered Entities.

Responsibilities:

The Compliance Committee shall:

- Perform assessments such as, but not limited to, survey evaluations and questionnaires with Registered Entities and MRO staff to measure performance of CMEP implementation in the MRO region.
- Monitor MRO staff conformance to the CMEP implementation.
- Provide advice to MRO staff on CMEP policy procedures and other rules.
- Provide advice to NERC through committee membership on CMEP policy procedures and other rules.
- Review and provide comments on the MRO Annual Implementation Plan as presented by MRO staff.
- Act as the stakeholder peer group during a facts and circumstances conference with a Registered Entity consistent with NERC Rules of Procedure and the CMEP.
- Identify training objectives, goals, and priorities on a yearly basis
- Coordinate with MRO staff to present information at training workshops as requested
- Recommend to the MRO Board, regional representatives for NERC compliance and enforcement related working groups and committees.
- Provide regular reports to the MRO Board on matters related to activities of the Compliance Committee.

4. Dispute Resolution Committee

Objective:

Reporting to the MRO Board, the Dispute Resolution Committee shall provide oversight and supervision of the dispute resolution processes and procedures instituted pursuant to the MRO Bylaws.

Responsibilities:

The Dispute Resolution Committee shall:

- Maintain a pool of persons qualified by temperament and experience, and within technical or legal expertise in matters likely to be the subject of disputes, to serve as mediators and arbitrators under the MRO bylaws.
- Determine the fees and reimbursements that shall be paid to mediators and arbitrators for or in conjunction with their services.
- Select mediators for disputes.
- Determine whether mediation is warranted in a particular dispute.
- Provide to disputing parties all lists of arbitrators qualified by temperament and experience, and with appropriate technical or legal expertise, to resolve particular disputes, such lists to include only neutral

persons who have no official, financial, or personal conflict of interest with respect to the issues in controversy.

- Compile and make available, arbitrators and other interested parties suggested procedures for the arbitration of disputes in accordance with Article 19 of the MRO bylaws.
- Maintain and make available, mediators, arbitrators, and other interested parties the written decisions.
- Establish such procedures and schedules, in addition to those specified herein, as it shall deem appropriate to further the prompt, efficient, fair and equitable resolution of disputes.
- Provide regular reports to the MRO Board on matters related to dispute resolution and activities of the Dispute Resolution Committee.

5. Security Committee

Objective:

Reporting to the MRO Board, the Security Committee shall guide the region in activities concerning physical, operational and cyber security in the areas of education, policies and procedures, best practices, and participation in the standards process and NERC committees.

Responsibilities:

The Security Committee shall:

- Develop comments to standards and guidelines related to security that directly affect Registered Entities in the region.
- Electronically publish a quarterly security newsletter to keep Registered Entities informed of the activities of the Security Committee.
- Consolidate and organize security related questions and issues in the region and seek authoritative answers.
- Provide a forum for Registered Entities to gather and share information and resources to increase the security posture in the region.
- Educate and guide Registered Entities in secure practices through workshops and conferences.
- Serve as an expert advisory group to the Board in the areas of physical, operational and cyber security.
- Provide two-way communication between the region and NERC Critical Infrastructure Protection Committee.
- Recommend to the MRO Board, regional representatives for NERC security related working groups, task forces and committees.
- Provide regular reports to the MRO Board on matters related to security efforts of the region and NERC and activities of the Security Committee.

NERC Critical Infrastructure Protection Committee (CIPC) members and alternate members will be the initial members of the MRO Security Committee.

The Security Committee should be composed of members with physical and/or cyber security backgrounds and experience.

Provisions

1. Quorum Requirements

- a. A quorum consisting of a majority of the committee members is required to be present at the meeting, in person or electronically (telephone, webcast, or video) to conduct business.
 - b. Any committee member who is unable to attend a meeting of the committee may designate an alternate member to participate and vote in place of the member.
2. *Voting Requirements*
- a. Recommendations and decisions of the committee shall require a simple majority of those members present and casting a vote.
 - b. Committee members need to comply with any conflict of interest policies when voting or participating on matters.
 - c. Votes taken electronically will require a simple majority of the member votes cast during the time period of the vote established by the Committee Chair.
3. *Selection of Officers*
- a. The Chair and Vice Chair of the committee shall be selected by the committee.
 - b. The Chair shall preside at meetings of the committee and shall have the power to call meetings of the committee.
 - c. The Vice Chair shall preside at meetings of the committee in the absence of the Chair.
 - d. A MRO employee or designee shall serve as the secretary and non-voting member of the committee.
4. *Meetings*
- a. The committee shall meet at such times and places as determined by the committee, or at the call of the chair.
 - b. The chair shall call a meeting of the committee upon the request of three or more members of the committee.
 - c. The chair must schedule a meeting within sixty (60) days of the request.
5. *Membership of Committees*
- a. No two members may be an employee of a single Registered Entity or employees of Registered Entities that are affiliates.
 - b. The Reliability Assessment Committee and Standards Committee shall consist of two members from each Sector, where there are three or more members in the Sector. Sectors with less than three members shall have one group member.
 - c. The Compliance Committee, the Dispute Resolution Committee, and the Security Committee shall be composed of one representative from each Sector selected by the MRO Board.
 - d. Each committee shall be determined based upon experience, expertise, and to the extent possible, geographic diversity.
 - e. Sectors shall select candidates for committee membership; the slate of candidates will be presented to the MRO Board for approval.
6. *Terms* – Members of each committee shall serve three-year staggered terms. The Chair and Vice Chair of each committee shall serve a one year term with no more than two consecutive terms.
7. *Conduct of Meetings*
- a. Conduct of meetings is in accordance with Robert's Rules of Order (Modern Edition).



Agenda 5

Administrative – Carol Gerou

- e. Are additional meetings necessary for the Standards Committee in 2010

Please refer to Agenda item 9 for a list of future committee dates.



Agenda 6
Standards Committee Report to Board of Directors – June 24, 2010

Agenda 7 MRO Reports

a. NSRS Report – Carol Gerou

Please see the attached NSRS report.

i. New Member

- *MRO SC will be asked to discuss and approve Mahmood Safi's (OPPD) nomination for NSRS membership.*

Mahmood Safi's bio and summary of work history:

Power Industry Experience:

About 10 years of experience in power industry including:

- Sr. Transmission Services (Standards and Compliance) Engineer (Current) – coordinate/lead all OPPD's NERC/FERC compliance and standards development activities. I am also OPPD's PCC alternate.
- Sr. Engineer Transmission & Distribution Planning – T&D System Planning and Design including Distribution Planning supervisory responsibilities.

Education:

MBA from Creighton University at Omaha, NE

BSEE from University of Nebraska at Lincoln, NE

Others:

Licensed Professional Engineer (PE) in the State of Nebraska.

Member of NERC's Standards Committee Communications & Planning Subcommittee.

Quarterly NERC Standard Review Subcommittee Report

Comments submitted by the NSRS on behalf of the MRO: (5)

- **Project 2006-04** ("Back-up Facilities Standards, 4th Posting of EOP-008-1"), POC - Tom Webb, Wisconsin Public Service, submitted on 03/05/10.
- **Proposed Standards Process Manual**, POC - Carol Gerou, MRO Staff, submitted on 03/12/10.
- **Project 2007-07** ("Vegetation Management 3rd Posting, First standard using Risk Based approach"), POC - Joe Knight, Great River Energy, submitted on 03/28/10.
- **Project 2009-01** ("Disturbance and Sabotage Reporting"), POC - Joe DePoorter, Madison Gas and Electric, submitted on 04/16/10.
- **Project 2010-11** ("TPL Table 1 Order"), POC – Chuck Lawrence, American Transmission Company, submitted on 05/21/10.

Current Commenting: (2)

- **Project 2008-06: Cyber Security Order 706 (Phase II)**, POC – Scott Benson/Eric Ruskamp.
- **Proposed changes to NERC NPOR Section 300.**

Voting Recommendations: Initial (6), Re-circulation (2), Interpretation (5), & Re-Ballot (1)

- **Project 2009-32** (Re-ballot, "Interpretation of EOP-003-1 R3 & R5 by FMPP"), 5 members voted "affirmative"; therefore, the NSRS recommends an "affirmative" position.
- **Project 2009-31** ("Interpretation of TOP-001-1 R8 By FMPP"), 8 members voted "affirmative" and 2 members "abstained"; therefore, The NSRS voted "affirmative".
- **Project 2009-06** (Recirculation, "Facility Ratings – FAC-008 & FAC-009") The NSRS voted "abstained."
- **Project 2008-09** ("Interpretation of EOP-001-1 R1 for Regional Entity Compliance Mgrs"), 7 members voted "affirmative"; therefore, the NSRS voted "affirmative".
- **Project 2009-17** ("Interpretation of PRC-004-1 and PRC-005-1 R2 By Y-W Electric and Tri-State G&T"), 6 members voted "negative", 2 members voted "affirmative", and 1 member voted "abstained"; therefore the NSRS voted "negative" with comment. **Comment:** "Further clarification is required regarding the definition of a "BES element" (e.g., What is a BES transformer?). Receiving current from the BES is not a suitable criterion for applicability. As currently written 115kV/12kV distribution transformers would incorrectly be classified as a BES element because they receive current from the BES.
We propose the following definitions. Non-GSU transformers must have all windings (excluding the tertiary winding) rated at 100kV and above in order to be classified to be a BES transformer. GSU transformers must have a primary winding rated at 100kV and above in order to be classified to be a BES transformer."
- **Project 2009-23** ("Interpretation of CIP-004-2 R3 By Army Corps of Engineers"), 6 members voted "affirmative" and 1 member voted "negative"; therefore, the NSRS voted "affirmative".
- **Standards Process Manual**, the NSRS voted "Negative" with comment "keep ballot and comment period separate".
- **Recirculation, Standards Process Manual**, 5 members voted "negative", 3 members voted "affirmative"; therefore, therefore the NSRS voted "negative".
- **Project 2010-11** ("TPL Table 1 Order"), 3 members voted "abstained", 2 members voted "affirmative", and 1 member voted "negative"; Therefore, the NSRS voted "abstained".

Proposed New NSRS member Mahmood Safi (from OPPD)

Agenda 7
MRO Reports

- b. Standards Manager Report – Carol Gerou*

Please see the attached report.

Quarterly Standards Manager Report

- An **ad hoc subcommittee** has been developed to create an implementation plan for the revised Standards Committee charter; they are scheduled to meet June 3, 2010. On May 20, 2010, the Standards Committee charter was revised to emphasize subject matter experts' roles in developing of application guides to assist in compliance to mandatory standards.
- Proposed Standards Committee's **Non-attendance policy**. Currently, the Standards Committee doesn't have a non-attendance policy but the MRO BOD does:
Policy and Procedure 1: Board Administration: Provisions: 1. Meetings:
h. Generally, personal attendance is required for all board meetings unless the meeting is specified as an electronic or conference call meeting. A director may be removed by the board of directors for non-attendance of three consecutive board meetings. For several quarters, members have not been attending granted they may busy but their lack of attendance burdens other members.

Request: to create a non-attendance policy.



Agenda 7
MRO Reports

c. Compliance Committee Update – SC Member



Agenda 7
MRO Reports

- d. Reliability Assessment Committee Update – SC Member*

Agenda 8
NERC Reports

a. Interchange Subcommittee – Shane Jenson

Please see the attached Interchange Subcommittee report from the NERC meeting held on May 26 – 27, 2010. To view the meeting minutes please click on the following link:
<http://www.nerc.com/docs/oc/is/052710%20IS%20minutes.pdf>.

Date: 2 June 2010

To: MRO

From: Shane Jenson, OPPD

Re: Report for NERC Interchange Subcommittee meeting 26-27 May 2010.

Summary of Actions Taken by NERC Interchange Subcommittee:

1. Continued updating the NERC INT standards that are jurisdictional to the Interchange Subcommittee. Reviewed new NERC comment process to expedite approval process for SARs, this process may be used as the approval process for the INT standards update.
2. Dynamic Transfer Reference Guideline work continued. Final edits to Industry responses completed. Edits were minor enough that the guideline will be submitted to the NERC Operating Committee without being reposted to industry for additional comment. The guideline's approval will be on the NERC OC agenda for their 15-16 June meeting.
3. Continued work on the Interchange Reference Guideline. Reviewed and responded to industry comments on the Interchange Reference Guideline which was created by the Interchange Subcommittee. The comments resulted in significant revisions, thus the revised guideline will need to be posted for industry comment. A task force was formed to expedite the project, in which I am a member.
4. The proposed JESS (Joint Electric Scheduling Subcommittee) spin-off from the NERC Interchange Subcommittee was discussed due to the move of the e-tagging specifications to NAESB, at the request of the NERC Operating Committee. Is JESS still a reliability based group or is it a commercial based group? The Interchange Subcommittee responded that JESS still has important reliability functions (e-Tagging is a reliability process due to its input to IDC) and should remain under the Interchange Subcommittee.
5. ADI (ACE Diversity Interchange) discussed as the NERC OC asked the IS for input. The IS created a white paper of concerns regarding ADI. Should transmission be required between non-adjacent BA's? Should ADI suspend during reserve sharing events? What is the RC involvement for curtailment purposes of ADI flows? How should a maximum ADI flow be determined? How close does ADI fit in with the definition of supplemental regulation? Pseudo ties are typically used, should they be tagged? If not, how will they be coordinated with non- ADI Intermediate Balancing Authorities?
6. EIITTF: Eastern Interconnection Interchange Tool Task Force. No recommendation for a universal checkout tool. Communications protocol standard may be proposed. Final report is still pending. I am a member of this task force.

Summary of Direction Provided:

1. None.

Next Steps:

1. We hope to post to industry for comment after a few more work sessions.
2. Waiting for approval from NERC OC. If approved, the guideline will be added to the NERC Operating Manual as submitted.
3. Interchange Reference Guideline Task Force to meet via WebEx prior to Sept Interchange Subcommittee meeting to complete guideline revision. The revised guideline will be presented for Interchange Subcommittee approval prior to being posted for industry comment.
4. Complete.
5. Waiting for response to IS concerns.
6. EIITTF Task Force to meet via WebEx prior to Sept Interchange Subcommittee meeting to complete the final report.

Agenda 8
NERC Reports

b. Standards Committee – Carol Gerou

Please see the attached reports:

- i. 02/25/10 NERC Standard Committee Conference Call
- ii. 03/11/10 NERC Standard Committee Conference Call
- iii. 03/18/10 NERC Standard Committee Meeting
- iv. 04/09/10 NERC Standard Committee Conference Call
- v. 04/14/10 NERC Standard Committee Meeting
- vi. 05/13/10 NERC Standard Committee Conference Call

02/25/10 NERC Standard Committee Conference Call

"Top 10" to monitor during 2010:

- Project 2006-06 Reliability Coordination
- Project 2007-01 Under Frequency Load Shedding
- Project 2007-02 Operating Personnel Communications Protocols
- Project 2007-03 Real-time Operations
- Project 2007-07 Vegetation Management
- Project 2007-12 Frequency Response
- Project 2007-17 Protection System Maintenance & Testing
- Project 2008-01 Voltage and Reactive Control
- Project 2008-06 Cyber Security – Order 706
- Project 2009-01 Disturbance and Sabotage Reporting

"High Priority" goals for the Standards Committee in 2010:

1. Results Based Standards - This is a top initiative for 2010. See Report to the MRC and Board of Trustees for full description of project work plan, and outline of success factors.

2. New Standards Process Manual - Completion of industry, BOT and FERC approval of revised guidance documents for drafting teams and industry education.

3. Execution of the Standards Committee's New Charter:

- Active prioritization and management of project workload as listed in the Reliability Standards Development Plan with consideration of industry, BOT and regulatory priorities, and resource limitations.
- Criteria for standards quality and clarity to ensure ambiguous standards are corrected during the development process.
- Tracking development progress - throughput, quality, and metrics.

4. Interpretations Process - Develop a more effective, faster and less resource-intensive alternative to formal standards interpretations. Based on the input, views and subject-matter expertise of all NERC programs, Regional Entities, NERC committees, provide due process to Registered Entities and be capable of addressing both ambiguities in the standards and compliance issues.

5. NERC as a Learning Organization/Enterprise - Create more effective feedback loops:

- Compliance and enforcement statistics and advisories
- Reliability metrics (particularly adequate level of reliability)
- Events analysis and other performance trends
- Registered entity complaints and questions

6. Communication

- Hold a workshop that reviews new/revised standards
- Identify activities from standing committees that can feed into standards
- Improved relationship with all regulators and "the hill"
- Database for standards

See the meeting minutes for more details:

http://www.nerc.com/docs/standards/sc/sc_022510m_final_meeting_minutes_complete_package.pdf

3/11/10 NERC Standard Committee Conference Call

Project 2007-11 (“Disturbance Monitoring”) - Appoint Mr. Frank Ashrafi, Southern California Edison (WECC) as a replacement for Mr. Richard Ferner, Western Area Power Administration (WAPA)(MRO) a member who has retired.

Project 2008-02 (“Undervoltage Load Shedding”) - The Standards Committee supported a delay to see the initial outcome of Project 2008-01 (“Voltage and Reactive”).

Status of Drafting Team Vacancies - See original [agenda packet](#) attachment 4b for the desired volunteer qualifications. Also, NERC Staff will contact volunteer technical writers and lawyers to see if they are willing perform reviews for the drafting teams. A full proposal will be presented to the Standards Committee in April.

Update on Status of Standards Projects - See attachment [5ai](#), [5aii](#), & [5aiii](#) for an update on the projects, their calendars, and an update on interpretations.

Project 2007-07 (“Vegetation Management”) - The team does expect to have the standard balloted by the end of August. The team held a webinar on March 18th and also met with FERC staff on March 25th.

Project 2008-06 (“Cyber Security”) - The team is moving along quickly and hopes to have a draft of CIP-003 through CIP-009 out for posting in early May. Gerry Adamski noted there will be a workshop in late May to discuss the scope of material.

Project 2010-10 (“Modifications to FAC for Order 729”) - The Standards Committee authorized posting the SAR with the proposed changes to FAC-013 for a 45-day posting and directed staff to solicit drafting team members.

Functional Model Working Group (FMWG)- The Standards Committee directed staff to post a request for nominees with expertise in the area of demand response.

VRF Criteria, Tool, and Implementation Plan - The Standards Committee authorized the posting of the VRF Criteria, Tool, and Implementation Plan for stakeholder comment.

Coordination with FERC and other Regulatory Authorities – NERC has filed the first set of Violation Severity Levels to satisfy the FERC directive on guidelines and will file the second set of VSLs after they complete the process.

Coordination with Regional Managers - The regions received positive feedback on the draft changes to the regional delegation agreements.

Business Plan and Budget - Gerry Adamski provided an update on the status of developing the standards program’s portion of the 2011 Business Plan and Budget. An initial draft was posted for industry comment in April.

Status of Filling Standards Committee Subcommittees - The Standards Committee’s Executive Committee will develop a slate of nominees for Standards Committee action during the April 14–15, 2010 Standards Committee meeting.

FAC-008 Ballot Results - The ballot did not achieved sufficient affirmative ballots to pass the action.

See the meeting minutes for more details:

http://www.nerc.com/docs/standards/sc/sc_031110_final_minutes_complete_package.pdf

03/18/10 NERC Standard Committee Meeting

Request to Post Standard Processes Manual for Pre-ballot Review - The Standards Committee's Executive Committee authorized posting the Standard Processes Manual for pre-ballot review.

See the meeting minutes for more details:

http://www.nerc.com/docs/standards/sc/SCEC_approved_minutes_2010March18.pdf

04/09/10 NERC Standard Committee Conference Call

Develop Slate of Nominees for the Process Subcommittee and the Communications and Planning Subcommittee

The subcommittee motioned by unanimous consent to:

- Accept all nominees:
 - ***Communications and Planning Subcommittee:***
 - Sara (Sally) Filling, Baltimore Gas & Electric Company
 - Lorissa Jones, Bonneville Power Administration
 - Mahmood Safi, OPPD
 - ***Process Subcommittee:***
 - Peter Heidrich, Florida Reliability Coordinating Council
 - Laura Lee, Duke Energy
 - Linn Oelker, E.ON U.S.
 - Saurabh Saksena, National Grid
 - Guy V. Zito, Northeast Power Coordinating Council, Inc.
- Ask the Standards Committee members who are on the Process Subcommittee if some of them they would like to move to the Communications and Planning Subcommittee to provide a more even distribution of Standards Committee members on both subcommittees
- Reach out to the NERC Regions and Trade Associations to solicit additional people with job duties associated with communications and familiarity with standards development

See the meeting minutes for more details:

http://www.nerc.com/docs/standards/sc/SCEC_040910n_notes.pdf

4/14/10 NERC Standard Committee Meeting

Update on Status of Standards Projects - See attachment [4aiii](#), [4aiv](#), & [4av](#) for an update on the projects, their calendars, and an update on interpretations. A [monthly report](#) was provided for Top Ten 2010 projects.

Standards Committee to communication to Drafting Team's:

- Drafting teams will update their schedules based on application of the flexibility afforded through the use of the approved deviations from the standards process
- The SC Chair will conduct a webinar with the leadership of the drafting teams to inform them that in the future, for any of the "Top Ten" projects that are "at risk" the SC expects that the chair or a representative from the SDT will participate in the next SC meeting (following identification of the project delay) to present the reasons for the delay and proposed resolutions.

Project 2007-07 ("Vegetation Management") - FERC staff has expressed concern that the updated standard may be less stringent than the approved standard and has asked the team to review their work from this perspective.

Project 2008-06 ("Cyber Security")

- The team has subdivided into sub teams and is moving along quickly and hopes to have a draft of CIP-002 through CIP-009 out for an informal comment period in early May.
- The drafting team did conduct a workshop in Dallas, Texas on May 19–20, 2010.
- The existing Cyber Security Order 706 Standard Drafting Team does not include any members representing the nuclear industry. NERC staff to reach out to NEI staff and ask them to recommend two people with nuclear power plant expertise to add to the Cyber Security Order 706 Standard Drafting Team; NERC staff will then submit the recommendations to the SC's Executive Committee for approval.

Project 2007-17 ("Protection System Maintenance and Testing") - Status of revising the definition of Protection Systems - The revised definition was posted for a final comment period in late April. The definition will proceed to ballot on its own, in advance of achieving consensus on the revised standard PRC-005-02 standard.

Project 2006-06 ("Reliability Coordination"), Project 2007-02 ("Operating Personnel Communications Protocols"), and Project 2007-03 ("Real-time Operations") — Status of defining 'Directive' and 'Reliability Directive' - The SDTs have agreed to use the definition of "reliability directive" and are not developing a definition of "directive."

Project 2009-02 ("Real-time Reliability Monitoring and Analysis Capabilities") - Final SAR was accepted.

Project 2010-09 ("Version 2 and 3 CIP Standard Implementation Plans for Nuclear Power Plants") - The Standards Committee moved the CIP Version 2 and Version 3 Implementation Plans for Nuclear Power Plants forward to the balloting stage.

Project 2010-11 ("Revisions to TPL-001-TPL-004 (Table 1, Footnote b) form March 18, 2010 Order setting deadline for Compliance") – The Standards Committee Accept the SAR for posting along with the proposed modifications to the standards. The urgent action process will not be used.

What SC "success" would look like at the end of 2010:

- Better, more open relationship with FERC
 - Engagement with FERC staff with feedback on issues and priorities;
 - Resolve disagreements on fundamental concepts contained in Reliability Standards
- Development Plan for revision of standards
- Many directives addressed

- Implementation of a strategic plan:
 - Project management for success
 - Streamlining the process approved
 - Omnibus filing
- More involvement of SC members with drafting team activities

Review of March 18, 2010 FERC Actions and Associated Standards Committee

Actions - The Standard Committee directed staff to identify each standards-related directive from Order 693 and a plan to address these standards.

Clarity on FERC Expectations – The Standards Committee to seek more FERC involvement in standard development process.

Proposed Process for Providing Formal and Informal Guidance on Standards - The committee discussed the drafts provided and offered suggestions.

Draft Template for Quality Review - The Standards Committee reviewed the draft template for use in determining whether a standard meets specific quality attributes, for use by NERC staff as a tool in providing a quality check, and to NERC Staff a tool to determine if a standard is ready to post for pre-ballot review.

Managing Standards Projects with Respect to Resources - a process for prioritizing and reporting on standards projects was proposed. This process is consistent with the new Standard Process Manual.

Coordination with FERC and other Regulatory Authorities - NERC staff is planning meetings with Canadian Governmental Authorities relative to standards and will reach out to Standards Committee members who want to volunteer to participate.

Coordination with Regional Managers - The Regions are working with NERC on processes to gain greater consistency between Regions; the current focus is an application of a requirement from an audit perspective.

Improving FERC Approval Rates - A proposal for tracking and improving FERC's approval of standards was proposed.

Duke Energy RFI – The Standards Committee reviewed a concern from Duke Energy that it submitted what it felt was a valid request for an interpretation, and the standards staff rejected the request on the basis that the request was seeking clarity on how to apply a requirement rather than clarity on the meaning of a requirement. The Standards Committee assigned a team of volunteers to conduct a secondary review of the request to determine if the request is asking "What does the requirement mean?" or is asking "How do we apply this requirement?" The volunteers committed to return their findings by April 30, 2010. A motion was made to submit a monthly status report on all requests for interpretation received.

Update on Nuclear Cyber Security Bright Line Test - Industry expressed a concern about bringing the nuclear power plants into compliance with the Cyber Security standards. As part of this process, nuclear entities must identify the systems structures and components they want to exempt from the CIP standards. FERC directed NERC to develop an exemption process. NERC and the NRC worked together and developed an initial proposal to provide nuclear power plant personnel with education about the Cyber Security standards and a Bright Line Survey to be sent to each plant shortly afterwards. Four workshops are being held in different geographically dispersed locations to assist nuclear entities.

See the meeting minutes for more details:

http://www.nerc.com/docs/standards/sc/sc_041410m_approved_meeting_minutes.pdf

05/13/10 NERC Standard Committee Conference Call

Update on Status of Standards Projects – For an update on the projects, see the original [agenda](#) packet attachment 8ai. A monthly report was provided for Top Ten 2010 projects in the original [agenda](#) packet (attachment 3a) .

Status of High Priority Activities and Open Action Items (See exhibit D of meeting minutes) - The status of the Standards Committee’s high priority activities and open action items were reviewed; the status of some of these items were provided to the Members Representative Committee and Board of Trustees’ meetings.

Report on Webinar held with Drafting Team Chairs, Vice Chairs, and Coordinators – The presentation is in the original [agenda](#) packet attachment 8ai.

Pro Forma Violation Severity Levels (VSLs) Proposal - A brief overview of a proposal to replace the existing method of assigning VSLs with a more standardized method was given. The proposal is going to be presented to the Standards Interface Subcommittee and the Standards Committee’s Process Subcommittee in June.

How to Ensure Productive Group Discussions Reach Consensus — FERC Workshop - FERC staff provides a free workshop on conflict resolution skills and proposed that this training be made available to drafting team leadership this September. David agreed to distribute a description of the training to the Standards Committee’s “plus” list server.

Duke Energy Request for Review of Interpretation

The team of Standards Committee members (Tom Bradish, Raj Rana, Steve Rueckert) who volunteered to review the Duke Energy Request for an interpretation on some requirements in the CIP standards fielded the request to subject matter experts who had a mix of views on the request, but the majority indicated that the request should be treated as valid.

The team reported the following: CIP-002 issues are very complex. Although, CIP-002 directs the entity to develop their own methodology, it provides extremely limited guidance on the criteria for identification of Critical Assets and Critical Cyber Assets (CCA) to be used in that method. In this regard, Duke Energy is seeking interpretation regarding the extent of the electronic perimeter when it comes to connecting external devices remotely to a CCA, and as an example they are asking if a laptop outside the ESP is used to remotely connect to a Critical Cyber Asset network via a firewall, does the laptop require all of the protection of a CCA? Therefore, an interpretation is in order. This is a huge issue, which has been discussed in a number of reliability compliance user forums with no formal interpretation from the NERC. Duke Energy's request may not be well written to convey what is being asked of, but the underlying theme of the request is whether the ESP extends beyond the physical perimeter of a CCA and the remote access.

A vote was taken on whether to accept the recommendation of the team and was then determined to be invalid as several Standards Committee members had left the meeting and there weren’t enough members present for a quorum.

Maureen Long agreed to contact the requester and discuss alternative strategies that may result in a response that could be applied sooner than a formal interpretation.

See the meeting minutes for more details:

http://www.nerc.com/docs/standards/sc/sc_051310m_Draft_Minutes_Package.pdf

Agenda 8
NERC Reports

- c. *Compliance and Certification Committee/Standards Interface Subcommittee – Terry Bilke*

Attached are my notes from the March NERC CCC and Standards Interface Subcommittee meetings. The next meeting is June 9-10. If you have any stakeholder-related issues you'd like raised, let me know.

Also attached is a proposed approach for simplifying the development of VSLs. My plan was to present it to the CCC for feedback and possible endorsement. Comments are welcome.

Thanks,

Terry Bilke
Midwest ISO
P.O. Box 4202
Carmel, IN 46032-4202
317/249-5463

Meeting Notes

Standards Interface Subcommittee (SIS)

March 10, 2010 | 8 a.m.–12 p.m. (local time)
New Orleans, LA

Welcome

NERC Antitrust Guidelines (Attachment 1a)

1. Committee Business John Blazekovich

a. Introductions (Attachment 1b and 1c)

b. Review December 9, 2009 Meeting Minutes (Attachment 1d)

c. Review Meeting Agenda

d. Next Meeting Date

Will coincide with the next CCC meeting in Denver.

2. Violation Risk Factor (VRF) improvement and Tool Eric Rollinson/Terry Bilke

Terry gave an update on this project being done jointly between the SIS and the Standards Committee Process Subcommittee.

- The VRF Tool walks people through a set of questions based on Adequate Level of Reliability.
- Proposes to add additional levels of VRFs (Order No. 693 gave NERC OK to do this)

The VRF tool underwent a field test and was modified based on results. The response was positive. The tool gave more consistent answers than the participants' personal assessment.

A package is on the SC agenda for tomorrow (March 11) to approve posting for comment.

- Background document.
- Tool with instructions.
- Survey questions.

If the industry supports the concept and the BOT approves, there would need to be a change to the RoP to add the levels.

(Attachments 2e, 2f, 2g, 2h, 2i)

3. Informal Interpretation Process Status Jim Stanton

Jim Stanton previously developed an informal interpretation process to the CCC via an email for endorsement. Full response wasn't received. The industry is struggling with this issue (spending too much time on trivial interpretations and not getting useful information).

4. Proposed Changes to RoP Appendix 4A (Sanction Guidelines) John Blazekovich (Attachments 4a, 4b)

The SIS reviewed proposed changes to the sanctions matrix to accommodate binary requirements (right now most binaries are arbitrarily assigned a Severe VSL). It was recommended to post for comments and process along with the proposed changes to VRFs.

5. Standards Committee Issues Terry Bilke/Jim Stanton

The primary points of interface of late are VRFs, the need for informal interpretations, the new tasks that will be expected of the CCC under the proposed change to the Standards Procedure (quality review, enforceability).

a. Result Based Standards Work

See Maureen Long's discussion below

6. Proposed Changes to the Standards Process Manual Maureen Long

(Attachment 6a)

Maureen gave an overview of some of the changes in the new Standards Process Manual. The goal is to make the process more timely (use the same team to draft the SAR and the Standards), use of informal comment periods to get input without burdening the drafting team to respond to hundreds of individual comments.

7. Effective Utilization of the CEDRP Maureen Long

Maureen discussed some ways the volunteers in the Compliance Element Drafting Resource Pool (CEDRP) to assist in doing the quality reviews of standards along with assisting in creating compliance elements (VRF and VSL)

Meeting Notes

Compliance & Certification Committee

March 10, 2010 / 12:00 p.m. – 5:00 p.m. (Working Lunch)

March 11, 2010 / 8:00 a.m. – 12:00 p.m.

New Orleans, LA

Welcome and Determination of Quorum Tom Abrams

Steve Cobb (Salt River Project) is a new member to the CCC.

NERC Anti-Trust Guidelines Michael Moon

1. Action Items Update Michael Moon

Looking for CCC support of audits of Regional Entities:

September 2010 ERCOT

FRCC

2. Committee Business

Rebecca Moore Darrah was appointed to the ERO Monitoring Subcommittee (EROMS). Note: The CCC has four subcommittees. You do not have to be a member of the CCC to be on one of the subcommittees.

Subcommittees, Working Groups, and Task Forces
ERO Monitoring Subcommittee (EROMS)
Organization Registration and Certification Subcommittee (ORCS)
Performance Measures Task Force (PMTF)
Procedures Subcommittee (PROCS)
Standards Interface Subcommittee (SIS)

a. Approved CCC December Minutes Tom Abrams

b. NERC February MRC and Board Update Clay Smith

CCC Update to the BOT went well. Audits of NERC and REs were explained and how the CCC acts as an observer. CCC Charter changes were presented. The annual ERO monitoring plan was presented (CCC is charged with monitoring NERC's conformance to the Rules of Procedure with regard to the standards process and CMEP).

The BOT has CIP as a high priority. There is a bill in congress that goes down to the distribution level on CIP. There is also proposed legislation that gives the FERC authority to create CIP standards and other standards related to attacks of the grid.

c. Performance Measures Task Force Greg Pierce

Greg gave update on the metrics initiative to look at metrics related to compliance. See attached for details. The goal is to monitor metrics that point to things such as:

- Change in risk exposure
- Compliance culture (are entities disclosing their own violations).
- Logjams in the compliance enforcement process.
- Time to get out lesson learned out from events.



7c-CCC%20PMTF%20Update.pdf

Participants in this effort are Greg Pierce, Tom Burgess, Patti Metro, Terry Bilke, Ted Dahill, Jessica Bian, Dan Skaar.

d. Nominating Committee Update Earl Cass

Bob Johnson left the CCC. He is replaced by Steve Cobb.

Brent Hebert has changed employers. He is interested in staying on the CCC, but must submit a nomination.

Nominations are open for next Chair and Vice Chair. Nominations requested by March 12. The current Vice Chair (Clay Smith) has been nominated for the Chair position.

e. 2010 Work Plans and Audit Adjustment Clay Smith

NERC did not have budget \$ to support the audits of the REs. The CCC will need to inform the BoT that the previously submitted monitoring plan is not achievable.

The full scale audit of NERC will be done in 2011.

f. Regional Entity Audits Update (SPP) Tom Abrams

Tom Abrams participated in the SPP audit. The audit went well. They are looking for CCC member to volunteer for the 2010 audits. Dates to be sent out by Mike Moon.

g. NERC Self-Certifications 2010 Clay Smith

The forms used last year will be updated by March 31 and will be sent to NERC to be completed by June. The self-certification deals with NERC's adherence to the ROP with respect to

certification & registration, CMEP, Standards Development and also the standards that apply to NERC.

3. NERC Staff Update

Mike outlined NERC's priorities for 2010 (productivity, transparency, trust, incent compliance).

a. NERC Compliance Realignment Michael Moon

Dave Hilt is now VP of Operations and Engineering (including event analysis).

Mike Moon is Director of Compliance Operations (Registration, Certification, Audit Assurance and Oversight) to include outreach and standards interface as well as audit assistance & training. They expect to soon have lessons learned and best practices from last year.

Joel DeJesus is Director of Compliance Enforcement (Compliance Analysis and tracking, Enforcement & Mitigation).

Mike Moon's charge is to make the Regions and the Registered Entities successful. Mike believes FERC's policy Statement of Enforcement (issued October 20, 2005) is key to identifying the entity's Culture of Compliance.

*Mike noted that the audits that went well were when the senior executives of the organization were involved.

b. Program Status/Statistics/Issues Michael Moon

181 violations in February vs 113 in January. 41% were CIP related. Violations in settlement negotiation have declined for past 2 months.

The number of settlement negotiations has trended up, which is a positive thing.

NERC having a meeting April 8 in Washington with industry groups to improve consistency in the compliance process. The information on this was limited, it may deal primarily with audits.

c. Overview of Proposed Standard Processes Manual Maureen Long

Comments are due this Friday on the new Standards Process Document.

Under the new process, the CCC has a role in verifying the quality of the standard.

The goals of the new standards process are to:

- Improve Efficiency
- Improve Quality
- Preserve the ANSI accreditation

SARs that don't have a technical justification, it will be forwarded to the appropriate technical group for review for merit. SARs with technical merit get a prioritization with regard to implementation (some SARs may wait).

NERC plans to have the SAR and Standard drafting team to be one and the same and to keep the teams small (around 7) with an assigned technical writer.

d. Results Based Standards Update Maureen Long

- Maureen gave an update on NERC's Results Based Standards efforts.
- Maureen believes the drafting teams have always been given guidance on developing Results Based Standards.
- Before a standard is drafted, the objectives of the standards need to be identified clearly up front.

e. Effective Dates of New MOD-001/004/008/028-030 Maureen Long

NERC has asked for clarification in December. Waiting to hear back from the FERC.

f. Revision of CIP Standards, CIP-004 R4 TBD

Tom Burgess gave a report based on his conversation with Scott Mix. V2 goes in effect April 1.

V3 has been submitted to the FERC. Will be effective 2nd quarter after approval.

V4 status:

Informal comments on CIP-002-4d1 (550 pages of comments)

Looking to simplify definitions and concepts

Introducing an impact matrix

Will have bright line threshold for BES.

Trying to relate this work to other standards (ISA-99, NIST SP800-53)

Goal is to ballot in September so it can be filed in December.

4. . Subcommittee Updates

a. EROMS Tom Burgess

Reviewed the procedure for conducting the 2010 draft survey on stakeholder perception of the CMEP and Registration and Certification Programs. The survey also looks to collect thoughts on metrics on the compliance program. The program document was approved.

There will be a change in distribution of the stakeholder perception survey in 2010. Last year it was disseminated by the CCC to their respective members. This year's survey will be sent to the NERC global email list. The CCC endorsed the plan to disseminate the survey through this mechanism (expected around April).

The EROMS worked on the audit of NERC's conformance to the Reliability Standards Development Procedure to occur in 2011. The Standards Interface Subcommittee (SIS) will provide input for "RSAWs" to be used by the auditors. NERC will be provided 4 months notice (likely in September 2010). NERC would select the contractor that would drive the audit. The CCC would round out the audit team.

The EROMS will also look for a self-certification on things not undergoing audit in a given year. Since NERC didn't have funds for an audit in 2010, there would be a self-certification of all four programs under the CCC's purview. If a problem were identified during the spot check, the CCC could initiate a targeted audit.

EROMS was thinking of creating a "state of the Union" report summarizing the year's observations and provide this to the BoT and the industry as a whole.

EROMS added Rebecca Moore Darrah to the subcommittee. The chair is stepping down in June. There is no vice chair. They are looking for people to fill these positions.

iii.RE Audit Observations Report

b. ORCS Patti Metro

Patti noted a SAR is out for comment intended to address the situation where a generator owns a small amount of transmission. It is not reasonable to expect them to meet all the requirements of a TOP if they only own a substation or a radial connection. One issue is that some of the standards this SAR proposes to change have actually been changed already and are waiting for FERC approval.

Patti will draft some concerns with the compliance confusion this causes for CCC review.

Craig Lawrence gave the ORCS an update on the Multi-Regional Registered Entity

Craig Lawrence gave an update on the OATI Interchange Authority Document. This effort what was initiated by the Regions to get confirmation of the things OATI does to meet several of the IA requirements. The outcome of this effort will be a guideline document that will be available to NERC and the Regions to confirm compliance to requirements done by OATI (including CIP for their infrastructure). Craig made the statement that this does not leave the BAs (who were forced to register as IA) off the hook for compliance should there be a failure (because he said OATI is not a user, owner, operator). I reminded the CCC that the Rules of Procedure state that notwithstanding all other provisions, if an entity is found to have an impact on reliability, they will be registered as a user of the BES. It would be an interesting discussion if and when there was a failure by OATI.

Craig Lawrence noted that NERC is creating a database of facilities mapped up from facility to BA/TOP to RC. This project is being lead by the Registration Working Group (Trey Kilpatrick, NERC lead).

c. PROCS Matt Goldberg

The Procedures Subcommittee (PROCS) looked at proposed changes to the Rules of Procedure that change the things the CCC is charged to do or monitor. There are multiple forums working on documents that will change the RoP. PROCS suggests that NERC publish some type of memo on proposed changes.

NERC is looking to introduce a term called “Possible Violations”. What is the difference between Alleged and Confirmed violations?

NERC is looking to change the delegation agreements so that the RE audits are done every 5 years rather than 3. Will NERC be pushing for this for themselves?

The PROCS will draft a recommendation for consideration on the Regional Delegation Agreements regarding CCC-related items.

Mike Moon will send out links that related to the proposed changes to the Rules of Procedure.

PROCS plans to do an annual review of the current CCC procedures over the next month.

d. SIS John Blazekovich

i. Update on VRF Tool

Terry gave an update on this project being done jointly between the SIS and the Standards Committee Process Subcommittee.

- Tool walks people through a set of questions based on Adequate Level of Reliability.
- Proposes to add additional levels of VRFs (Order No. 693 gave NERC OK to do this)

The VRF tool underwent a field test and was modified based on results. The response was positive. The tool gave more consistent answers than the participants’ personal assessment.

A package is on the SC agenda for tomorrow (March 11) to approve posting for comment.

- Background document.
- Tool with instructions.
- Survey questions.

If the industry supports the concept and the BOT approves, there would need to be a change to the RoP to add the levels.



Improved_VRF_Defin_VRF_Tool_Update_M
itions-03-02-10r1.pdf arch_2.2010.ppt

The CCC endorsed moving the VRF tool forward for industry comment. The ultimate decision for posting is the Standards Committee’s.

Informal Interpretations

The SIS previously presented the informal interpretation process to the CCC. Limited comments were received. Still, the flood of requests for interpretation point to a need for a low effort-transparent way to get compliance guidance out to the industry.

John Blazekovich took an action item for the SIS to identify a few requirements that are causing the industry trouble in creating evidence and provide suggestions on what could be done.

Mike Moon reiterated his offer to hear about audit issues (situations where evidence is difficult or impossible to provide).

Craig Lawrence noted that entities could ask their RC for attestations. I mentioned that we have hundreds of generators and many other NERC registered entities and that RCs don't have webcams into its members control rooms. What we're really dealing with here are event triggered requirements that aren't audited perhaps beyond having a procedure. However, if an event happened, the requirement would be enforced if the entity didn't perform as required.

There was a long discussion on what should be done related to consistency of audits and ambiguity of the requirements. Terry made a motion for the CCC to ask the SIS to work with Mike Moon (and necessary regional staff) and the NERC SC Process Subcommittee to identify principles for a process to provide guidance on ambiguous requirements and possible examples of evidence. The motion passed.

ii. Standards Committee Activities

Besides the items above, the proposed new Standards Process puts obligations on the CCC with regard to enforceability and clarity of the standards.

iii. CEDRP

The Compliance Elements Drafting Resource Pool (CEDRP) is a group of volunteers that have undergone training and are willing to assist drafting teams in creating compliance elements (VRFs and VSLs). NERC has driven the standards process in a different direction (bifurcated ballots on VRFs/VSLs that will be developed by staff) that make the CEDRP moot. Maureen Long will look on putting together training such that the CEDRP members will be able to help with the quality checks of the standards under the proposed new standards process.

7. NERC Generated Items Michael Moon

CCC Programs and Procedures Document/Status Clay Smith

CCC Member Related Items/Roundtable Tom Abrams

Matt Goldberg and Greg Campoli raised some issues they've observed in audits.

The first was a case where auditors alleged non-compliance for an entity that followed NERC standards but deviated from their internal processes that were more stringent than the NERC standards.

The other dealt with a case of auditors creating their own definition of "annual" and alleged non-compliance when a task was done in consecutive calendar years but deviated some from 12 months.

Earl Cass noted that entities were being told to retain evidence for relay maintenance beyond what's required in the standards and that the guidance received by multi-regional entities from the different regions varied. Mike Moon agreed to take this back to the Regional Managers.

Jim Stanton noted that some entities are being asked for evidence that goes back 7 years (if a relay was last tested 2 years ago, they are being asked for the previous test). Should an entity be asked for evidence that was pre-ERO? Since the standard has a 3 year retention period, the issue gets even more convoluted. Mike will take this back to NERC Legal.

8. Action Items Review Michael Moon

9. Adjourn Tom Abrams

Future Meetings June 9-10 in Denver.

The NERC BOT is thinking of going to 3 meetings a year. If they do this, should the CCC should do the same? We'll wait and see.

Pro Forma Violation Severity Levels Proposal

Introduction

Violation Severity Levels (VSLs) are intended to identify how badly an entity exceeded a requirement in the NERC standards. VSLs range from Lower-Moderate-High-Severe and are used as a primary input in determining sanctions. There have been challenges in the creation and implementation of VSLs. This document proposes an improved and simplified approach for developing NERC VSLs and recommends a migration to a generic set of VSLs for all requirements in the NERC Standards.

Problems with the Current Violation Severity Levels

Given the time available, NERC and the Industry did a good job establishing the ERO’s Rules of Procedure and the Version 0 and subsequent standards. Now that the ERO processes are stabilized, it’s useful to look for improvement opportunities.

Many things in the standards, particularly those created during Version 0, are not directly measurable. The added challenge for drafting teams is to create four unique VSLs for each requirement and to determine the different performance extremes for a standard that has not been tested or for a requirement that is not scalable. It is much more difficult to draft high quality VSLs than it is to draft the requirements that drive them.

Besides drafting teams, others expend effort on VSLs. NERC compliance staff and standards staff must evaluate the VSLs and process ballots. The FERC must also spend time reviewing VSLs and re-review VSLs that are returned to NERC for changes.

	Violation Severity Level							
Violation Risk Factor	Lower		Moderate		High		Severe	
	Range Limits		Range Limits		Range Limits		Range Limits	
	Low	High	Low	High	Low	High	Low	High
Lower	\$1,000	\$3,000	\$2,000	\$7,500	\$3,000	\$15,000	\$5,000	\$25,000
Medium	\$2,000	\$30,000	\$4,000	\$100,000	\$6,000	\$200,000	\$10,000	\$335,000
High	\$4,000	\$125,000	\$8,000	\$300,000	\$12,000	\$625,000	\$20,000	\$1,000,000

Figure 1 NERC Sanctions Matrix

An added challenge is that the majority of requirements in the NERC Standards are binary (yes/no). In general, NERC has used the Severe VSL for binary requirements. While this simplifies the standards development process, it causes problems in compliance implementation. With all binary requirements falling on the right hand side of the sanctions matrix, Regional staff is left in a difficult position during

the sanctions process when they must unwind the maximum default penalties associated with Severe VSLs for minor infractions.

Proposed Pro Forma Violation Severity Levels

Presented below is a simple, standard set of VSLs that can be used for any requirement. The VSLs are in line with the FERC’s guidance on VSLs and also guidance on enforcement and penalties. Using a single set of VLSs frees the industry and the ERO of low value work to focus on things that contribute to reliability.

Lower	Moderate	High	Severe
There was no discernible impact on reliability. The Violation was self-reported	There was no discernible impact on reliability. The Violation was found during a compliance activity (audit, spot check, CVI).	The Violation measurably impacted reliability or was a secondary contributor to a System Event*.	The Violation led to a System Event*.

Figure 2 Pro Forma Violation Severity Levels

* System Events as applied to VSLs include categories 2-5 of NERC’s [Operating Reliability Events](#).

Drafting teams would not be precluded from creating “traditional” VSLs, particularly if the team can provide data to support their proposed VSLs.

Benefits Summary

The benefits of using a pro forma set of VSLs include:

- Reduced (nearly zero) workload for Standard Drafting Teams, the Industry and the FERC, with regard to drafting, reviewing, balloting and approving VSLs.
- It frees drafting team and industry resources to concentrate on developing requirements that support reliability.
- It reduces the likelihood of negative ballots on a standard due to aggressive or unrealistic VSLs.
- There is no need to handle binary (yes/no) requirements differently than scalable requirements.
- The outcome mirrors the FERC Policy on Civil Penalties.
- The VSLs for alleged and confirmed violations translate to global metrics to monitor compliance trends and impact on reliability.
- It encourages self inspection and self reporting.

- The migration to a single VSL for all requirements does not require a material change to the Sanctions Guidelines in the Rules of Procedure.
- Provides a clear approach to address the FERC’s desire to ensure uniformity and consistency among all Reliability Standards in the determination of penalties.
- It addresses the FERC’s desire to avoid ambiguity in VSLs.
- The observations that lead to an assessment of a High or Severe VSLs (impacts on reliability and System Events) provide valuable lessons-learned for the industry, particularly if the observations are mapped to the given standard.

Recommendations

This paper recommends the use of pro forma VSL s by drafting teams for new and revised standards. It also recommends an assessment of the effectiveness and value of the pro forma VSLs after one year’s experience. The assessment would be conducted by a task force with members from NERC and Regional Staff, the NERC Compliance and Certification Committee and the NERC Standards Committee.

Implementation Plan

Task	Date
Present proposal document to the CCC Standards Interface Subcommittee and SC Process Subcommittee for review, comment and endorsement	
Present to the CCC and SC for comments and endorsement	
Obtain NERC and Region Staff input on the approach	
Present to Commission Staff	
SC approval to post background document and survey	
Post document for comment	
Hold WebEx	
Update and repost document based on comments	
Conduct straw poll ballot on the pro forma VSLs	
NERC BOT for approval for use on new and revised standards	
Develop task force report after one year’s experience	
Implement task force recommendations	

Agenda 8
NERC Reports

d. Regional Reliability Standards Working Group – Carol Gerou

Please see the RRSWG reports:

- i. From 02/09/10 Meeting
- ii. From 05/03/10 Meeting

1. NERC's Draft Template for Quality Review of Standard

**If you have any stakeholder-related issues you'd like raised, let me know.

**02/09/10 NERC Standards Committee
Regional Reliability Standards Working Group**

Topics discussed:

- Working Groups' goals were discussed for 2010.
- Development of regional definitions were discussed.
- Standards Process Manual Changes. Maureen Long, NERC Standards Staff, gave the presentation.
- Discussed Integrating Reliability Based Standards Concepts into Regional Standards.
- Discussed Fill-in-the-blank standards and their prioritization in the main work plan.

See the meeting minutes for more details:

<http://www.nerc.com/docs/sac/rrswg/RRSWGnotes020910.pdf>

**05/03/10 NERC Standards Committee
Regional Reliability Standards Working Group**

Topics discussed:

- **Discussed March 18, 2010 FERC Orders.** The main docket discussed was RM09-18-000 (“Revision to Electric Reliability Organization Definition of Bulk Electric System”). Rebecca Michael, NERC legal Staff, attended discussion and asked for comments from the regions. She also indicated that she would like to be notified if the regions do file comments. FRCC and WECC were the regions who had the most comments. FRCC is developing a regional definition of BES that includes more specificity in particular clarifying single transmission source. The development is underway and anticipate asking for Board approval within the next several months.
- FERC NOPR under docket RM09-15-000. (“Version one regional reliability standard for resource and demand balancing”)
 - Ken Wilson (WECC)’s message to the group is that FERC will look at each requirement in the proposed standard individually as opposed to as a body. Each requirement must be justified technically.
 - Nick Henery (FERC Staff) reinforced that regional requirements must meet Order 672 criteria – more stringent or necessitated by a physical difference in the BES. He offered to work closely with the Regions at the development stages of a standard.
- **Quality Review of Regional Standards.** (See attachment.) Two regional reliability standards were reviewed using the NERC new quality review check list – SPP’s UFLS standard and RFC’s Generation Verification standard. NERC Standard Staff participated in the review. Main changes:
 - A purpose is needed in each requirement.
 - NERC’s criteria are consolidated into one checklist; Several questions needed to be answered for each element in the standard.

See the meeting minutes for more details:

http://www.nerc.com/docs/sac/rrswg/RRSWGnotes05_3-4_10.pdf

Draft Template for Quality Review of a NERC Reliability Standard

Purpose Section of Standard: Each reliability standard must have a clear statement of purpose that describes how the standard contributes to the reliability of the bulk power system. The purpose statement should identify the reliability-related benefit of the standard and should be tied to at least one of the reliability principles.

Which reliability principle does the standard support? (Check all that apply.)

- Interconnected bulk power systems shall be planned and operated in a coordinated manner to perform reliably under normal and abnormal conditions as defined in the NERC Standards.
- The frequency and voltage of interconnected bulk power systems shall be controlled within defined limits through the balancing of real and reactive power supply and demand.
- Information necessary for the planning and operation of interconnected bulk power systems shall be made available to those entities responsible for planning and operating the systems reliably.
- Plans for emergency operation and system restoration of interconnected bulk power systems shall be developed, coordinated, maintained and implemented.
- Facilities for communication, monitoring and control shall be provided, used and maintained for the reliability of interconnected bulk power systems.
- Personnel responsible for planning and operating interconnected bulk power systems shall be trained, qualified, and have the responsibility and authority to implement actions.
- The security of the interconnected bulk power systems shall be assessed, monitored and maintained on a wide area basis.
- Bulk power systems shall be protected from malicious physical or cyber attacks.
- Not Applicable

Comments:

Applicability Section of the Standard: The applicability section of the standard should identify all of the functional entities assigned responsibility for one or more requirements in the standard. While standard drafting teams should use the same terminology for identifying responsible entities as used in the compliance registry, the compliance program may authorize deviations where needed for reliability. The applicability section should also include any limitations on the applicability of the standard based on electric facility characteristics, such as a requirement that applies only to the subset of distribution providers that own or operate underfrequency load shedding systems. The applicability section should also identify situations where one or more requirements apply to just a subset of the bulk power system such as requirements that apply only to Transmission Lines rated at 200kV or higher. **This section may also identify specific conditions under which one or more requirements may or may not apply.**

1. Does the applicability include functional entities, using terminology that matches the terminology used in the compliance registration criteria?

Yes No

Comments:

2. If the applicability includes a term that is not used in the compliance registration criteria, has the drafting team provided an explanation for the deviation and a statement from the compliance program to indicate that the compliance registration process can support the deviation?

Yes No

Comments:

3. Conduct a review of the requirements and verify that the responsible entity for each of the requirements is identified in the applicability section of the standard.

All functional entities with responsibility for a requirement are identified in the Applicability

The following functional entity is identified in a requirement and not listed in the Applicability:

4. If the applicability includes a subset of a class of facilities, has the drafting team provided an explanation to support the subset?

Yes No

Comments:

5. Is the applicability limited to users, owners and operators of the BPS? If not, has the SDT provided an explanation to support the need for the expanded applicability?

Yes No

Comments:

Comments:

6. If the requirement includes subrequirements (Parts), are there two or fewer levels of subrequirements? (Example of a requirement with two levels of subrequirements would be: Requirement R1, Part 1.1, Part 1.1.1)

Yes No Not Applicable

Comments:

7. If actions are “variable” (such as a list of several items where the responsible entity must perform only one of the items listed) are these actions bulleted rather than numbered?

Yes No Not Applicable

Comments:

8. Is the requirement stated in a clear and concise manner without the use of any ambiguous words or unnecessary explanatory information?

Yes No

Comments:

9. If a specific performance can't be identified, is the acceptable performance qualified and bounded by measurable conditions/parameters?

Yes No Not Applicable

Comments:

10. Is the required performance clear?

Yes No

Comments:

11. Does the requirement assign responsibility to the same entity that is assigned this responsibility in the Functional Model?

Yes No Not Applicable

Comments:

12. Is the requirement limited to the facilities contained within the boundaries of the bulk power system?

Yes No

Comments:

13. Has the drafting team provided a technical justification (rationale) for the requirement? Where applicable, this should be based on actual data and lessons learned from past operating incidents and may be based on the drafting team's expertise.

Yes No Not Applicable

Comments:

Measure - Each requirement must have one or more associated measures used to objectively evaluate compliance with the requirement. A single measure may be used to address more than one requirement. Each measure must identify the functional entity with the performance being measured – the same functional entity that is responsible for the associated requirement. Each measure must be tangible, practical, and as objective as is practical. Measures should support requirements by identifying what evidence or types of evidence could be used to show that an entity is compliant with the requirement. For some requirements, only one type of evidence is acceptable – but for many requirements, a range of evidence could be acceptable. The following is a synopsis of the guidelines provided to drafting teams:

- If the requirement is to have a document such as an agreement, methodology, or procedure, then the measure should require the responsible entity to provide that document – and if the requirement has timing-related aspects such “current” or “updated” then the evidence must include references to dates
- If the requirement is to verify something, then the measure should include the criteria for verification (if applicable) as well as the evidence to support that the verification was conducted – and if the verification is required to be executed on some periodic basis, then the evidence must include references to dates
- If the requirements is to “do” something such as perform maintenance, communicate information, provide data – then the measure must include evidence that the action was performed – and if the action is required under specified conditions or with some specified frequency, then evidence of the conditions under which the action was performed as well as a reference to the time when the action was performed should be included in the measure

Measure # ____: (Complete a separate assessment for each Measure in the standard.)

1. Is there a measure for the requirement?

Yes No

Comments:

2. Does the measure include a reference to the associated requirement?

Yes No

3. Does the measure reflect the guidelines for writing measures?

Yes No

Comments:

4. If the requirement is to develop something such as a report or methodology, does the measure clearly state that the responsible entity must have that report, methodology, etc.?

Yes No

Comments:

5. If the requirement could be met several different ways, does the measure include more than one type of acceptable evidence and wording that clarifies that other types of evidence may also be acceptable?

Yes No

Comments:

6. If the requirement includes a timing element, does the measure confirm that the evidence must include the date?

Yes

No

Comments:

Compliance Elements Used to Administer Compliance

Compliance Enforcement Authority - For most standards, the compliance enforcement authority will be the 'Regional Entity' and this is what should be entered. If the Regional Entity is the responsible entity or the responsible entity works for the Regional Entity, then the Regional Entity will establish an agreement with the ERO or another entity approved by the ERO and FERC (i.e. another Regional Entity) to be responsible for compliance enforcement.

1. Is the CEA properly identified?

Yes No

Comments:

Compliance Monitoring and Assessment Processes - This section identifies the processes that may be used by the CEA to monitor compliance with the requirements in the standard. There are eight processes defined in the Uniform Compliance Monitoring and Enforcement Program (CMEP) of the North American Electric Reliability Corporation, and for most standards, the first six of the eight processes listed below are applicable. The last two processes (Periodic Data Submittals and Exception Reporting) are only applicable in certain standards. With the exceptions noted for periodic data submittals and exception reporting, drafting teams should not add descriptive language to identify "how" a process will be implemented as the CMEP includes details on the implementation of each of these processes.

1. Compliance Audit
2. Self-Certification
3. Spot Checking
4. Compliance Violation Investigation
5. Self-Reporting
6. Complaint
7. Periodic Data Submittals - If periodic data submittal is listed, the submittal interval must be specified. The details should be included in the "Additional Compliance Information" section of the standard.
8. Exception Reporting - If exception reporting is listed, the conditions for the report must be specified. The details should be included in the "Additional Compliance Information" section of the standard.

2. Do the monitoring and assessment processes identified match those in the Uniform Compliance Monitoring and Enforcement Program?

Yes No

Comments:

3. If the standard requires a Periodic Data Submittal, is the submittal interval identified in the "Additional Compliance Information" section of the standard?

Yes No Not Applicable

Comments:

4. If the standard requires Exception Reporting, are the conditions for reporting specified in the "Additional Compliance Information" section of the standard?

Yes No Not Applicable

Comments:

Evidence Retention - There are two types of evidence that must be kept - evidence used by entities to show that they are compliant with the requirements and evidence retained by the CEA to verify that it has assessed compliance. The measures should serve as a guide in identifying which responsible entity must keep what evidence for how long.

For the “Data/Evidence Retention” section of the standard, the following default language is recommended for identification of retention periods – with variations to the sentence structure as needed:

The [responsible entity] shall keep data or evidence to show compliance as identified below unless directed by its Compliance Enforcement Authority to retain specific evidence for a longer period of time as part of an investigation:

1. The [responsible entity] shall retain evidence of Requirement 1, Measure 1 for [Insert Time Period].
2. If a [responsible entity] is found non-compliant, it shall keep information related to the non-compliance until found compliant.
3. The Compliance Enforcement Authority shall keep the last audit records and all requested and submitted subsequent audit records.

5. Does the evidence retention reflect the guidelines for evidence retention?

Yes No

Comments:

6. Is there evidence retention for each requirement/measure?

Yes No

Comments:

7. Does the evidence retention assign responsibility to the correct responsible entity for each requirement?

Yes No

Comments:

Compliance Elements Used to Assist in Assigning Penalties and Sanctions - Time horizons, Violation Risk Factors (VRFs) and Violation Severity Levels (VSLs) are used as a factor in determining the size of a penalty or sanction for noncompliance with the requirement.

Time Horizons - Each requirement must have an associated Time Horizon to identify the time frame an entity would have to correct a violation of the requirement. The Time Horizons and the criteria for each include:

1. Long-term Planning — a planning horizon of one year or longer.
2. Operations Planning — operating and resource plans from day-ahead up to and including seasonal.
3. Same-day Operations — routine actions required within the timeframe of a day, but not real-time.
4. Real-time Operations — actions required within one hour or less to preserve the reliability of the bulk electric system.
5. Operations Assessment — follow-up evaluations and reporting of real time operations.

1. Does each requirement include at least one of the five identified Time Horizons?

Yes

No

If any requirement is missing a Time Horizon, identify the requirement number:

Comments:

Violation Risk Factors - Each requirement must have an associated violation risk factor (High, Medium or Lower). The risk factor assesses the impact to reliability of violating a specific requirement. The following criteria have been filed with FERC as part of the ERO's Sanctions Guidelines and must be used to determine a violation risk factor for each requirement:

High Risk Requirement

A requirement that, if violated, could directly cause or contribute to bulk electric system instability, separation, or a cascading sequence of failures, or could place the bulk electric system at an unacceptable risk of instability, separation, or cascading failures; or, a requirement in a planning time frame that, if violated, could, under emergency, abnormal, or restorative conditions anticipated by the preparations, directly cause or contribute to bulk electric system instability, separation, or a cascading sequence of failures, or could place the bulk electric system at an unacceptable risk of instability, separation, or cascading failures, or could hinder restoration to a normal condition.

Medium Risk Requirement

A requirement that, if violated, could directly affect the electrical state or the capability of the bulk electric system, or the ability to effectively monitor and control the bulk electric system. However, violation of a medium risk requirement is unlikely to lead to bulk electric system instability, separation, or cascading failures; or, a requirement in a planning time frame that, if violated, could, under emergency, abnormal, or restorative conditions anticipated by the preparations, directly and adversely affect the electrical state or capability of the bulk electric system, or the ability to effectively monitor, control, or restore the bulk electric system. However, violation of a medium risk requirement is unlikely, under emergency, abnormal, or restoration conditions anticipated by the preparations, to lead to bulk electric system instability, separation, or cascading failures, nor to hinder restoration to a normal condition.

Lower Risk Requirement

A requirement that is administrative in nature and a requirement that, if violated, would not be expected to adversely affect the electrical state or capability of the bulk electric system, or the ability to effectively monitor and control the bulk electric system; or, a requirement that is administrative in nature and a requirement in a planning time frame that, if violated, would not, under the emergency, abnormal, or restorative conditions anticipated by the preparations, be expected to adversely affect the electrical state or capability of the bulk electric system, or the ability to effectively monitor, control, or restore the bulk electric system. A planning requirement that is administrative in nature.

In addition, in its May 18, 2007 Order on Violation Risk Factors, FERC identified five “guidelines” it uses to determine whether to approve the Violation Risk Factors submitted for approval. Those factors are:

Guideline (1) – Consistency with the Conclusions of the Final Blackout Report

The Commission seeks to ensure that Violation Risk Factors assigned to Requirements of Reliability Standards in these identified areas appropriately reflect their historical critical impact on the reliability of the Bulk-Power System. From footnote 15 of the May 18, 2007 Order, FERC’s list of critical areas (from the Final Blackout Report) where violations could severely affect the reliability of the Bulk-Power System includes:

- Emergency operations
- Vegetation management
- Operator personnel training
- Protection systems and their coordination
- Operating tools and backup facilities
- Reactive power and voltage control
- System modeling and data exchange
- Communication protocol and facilities
- Requirements to determine equipment ratings
- Synchronized data recorders
- Clearer criteria for operationally critical facilities
- Appropriate use of transmission loading relief.

Guideline (2) – Consistency within a Reliability Standard

The Commission expects a rational connection between the sub-Requirement Violation Risk Factor assignments and the main Requirement Violation Risk Factor assignment.

Guideline (3) – Consistency among Reliability Standards

The Commission expects the assignment of Violation Risk Factors corresponding to Requirements that address similar reliability goals in different Reliability Standards would be treated comparably.

Guideline (4) – Consistency with NERC’s Definition of the Violation Risk Factor Level

Guideline (4) was developed to evaluate whether the assignment of a particular Violation Risk Factor level conforms to NERC’s definition of that risk level.

Guideline (5) –Treatment of Requirements that Co-mingle More Than One Obligation

Where a single Requirement co-mingles a higher risk reliability objective and a lesser risk reliability objective, the VRF assignment for such Requirements must not be watered down to reflect the lower risk level associated with the less important objective of the Reliability Standard.

2. Is there a VRF for each Requirement?

- Yes No

If any requirement is missing a VRF, identify the requirement number:

Comments:

3. Did the drafting team provide an explanation of how it believes it has proposed a VRF that meets NERC’s criteria for setting VRFs?

- Yes No

If any requirement is missing an explanation of how the proposed VRF meets NERC’s criteria, identify the requirement number:

Comments:

4. Did the SDT provide an explanation of how it believes it has proposed a VRF that meets each of FERC's Five Guidelines for setting VRFs?

Yes No

If any requirement is missing an explanation of how the proposed VRF meets NERC's criteria, identify the requirement number and the associated FERC VRF Guideline:

Requirement Number: FERC VRF Guideline Number:

Comments:

Violation Severity Levels – Violation Severity Levels (VSLs) define the degree to which compliance with a requirement was not achieved. Each requirement must have at least one VSL. While it is preferable to have four VSLs for each requirement, some requirements do not have multiple “degrees” of noncompliant performance and may have only one, two, or three VSLs.

Violation severity levels should be based on NERC’s overarching criteria shown in the table below:

Lower VSL	Moderate VSL	High VSL	Severe VSL
The performance or product measured almost meets the full intent of the requirement.	The performance or product measured meets the majority of the intent of the requirement.	The performance or product measured does not meet the majority of the intent of the requirement, but does meet some of the intent.	The performance or product measured does not substantively meet the intent of the requirement.

In addition, NERC established the following detailed guidelines for setting VSLs:

1. If the requirement is binary, the only VSL must be Severe
2. If the requirement has a wide range of possible noncompliant performance the requirement should have multiple VSLs
3. If the requirement has multiple parts that contribute unequally to the reliability-related intent of the requirement, each numbered part of the requirement should be identified separately in the VSLs
4. If the requirement has multiple parts that contribute unequally to the reliability-related intent of the requirement, the VSLs should be set based on the number of parts that are noncompliant or a percentage of noncompliant performance without regard to which part is “missing” or noncompliant
5. If noncompliance is measured as a percentage, the VSLs incremented by 5% with 5% or less as a Lower VSL; more than 5% up to and including 10% as Moderate; more than 10% up to and including 15% as High; and more than 15% noncompliant as a Severe VSL
6. If the requirement has a timing element associated with delivering something within a specified number of days and noncompliance is addressed in multiple VSLs, the increments in the number of “days late” should be set at 10 days
7. The VSLs should be size-neutral so that they treat noncompliance with large and small entities similarly
8. If the requirement has multiple Parts, all Parts must be addressed in the set of VSLs

In its June 19, 2008 [Order on Violation Severity Levels](#), FERC indicated it would use the following four guidelines for determining whether to approve VSLs:

Guideline 1: Violation Severity Level Assignments Should Not Have the Unintended Consequence of Lowering the Current Level of Compliance (Compare the VSLs to any prior Levels of Non-compliance and avoid significant changes that may encourage a lower level of compliance than was required when Levels of Non-compliance were used.)

Guideline 2: Violation Severity Level Assignments Should Ensure Uniformity and Consistency in the Determination of Penalties (A violation of a “binary” type requirement must be a “Severe” VSL. Avoid using ambiguous terms such as “minor” and “significant” to describe noncompliant performance.)

Guideline 3: Violation Severity Level Assignment Should Be Consistent with the Corresponding Requirement (VSLs should not expand on what is required in the requirement.)

Guideline 4: Violation Severity Level Assignment Should Be Based on A Single Violation, Not on A Cumulative Number of Violations (. . . unless otherwise stated in the requirement, each instance of non-compliance with a requirement is a separate violation. Section 4 of the Sanction Guidelines states that assessing penalties on a per violation per day basis is the “default” for penalty calculations.)

5. Is there a set of VSLs for each Requirement?

Yes No

If any requirement is missing a set of VSLs, identify the requirement number:

Comments:

6. Did the SDT provide a justification for each set of VSLs that explains how the VSLs meet NERC's overarching criteria for setting VSLs?

Yes No

Comments:

7. Does each set of VSLs meet NERC's detailed guidelines for setting VSLs?

Yes No

For any VSL that does not meet NERC's detailed guidelines, identify the requirement number and the guideline number that was not met:

Requirement Number: Guideline Number:

Comments:

8. Does each set of VSLs meet each of FERC's four guidelines for setting VSLs?

Yes No

For any requirement that does not meet one or more of FERC's four VSL Guidelines, identify the requirement number and each guideline number that was not met:

Requirement Number: Guideline Number:

Comments:

General Attributes of the Standard in Total:

Completeness — Each reliability standard must be complete and self-contained. The standards can't depend on external information to determine the required level of performance.

1. Are the requirements complete, self-contained and do not rely on information that is in other documents?

Yes No

If any requirement relies on information that is in another document, identify the requirement number:

Comments:

Practicality — Each reliability standard should establish requirements that can be practically implemented by the assigned responsible entities within the specified effective date and thereafter. Consideration must be made when assessing the practicality of implementation for the size of the responsible entities (investor owned utilities verses local municipalities and cooperatives).

2. Has the drafting team submitted information to support the practicality of the proposed requirements?

Yes No

Comments:

3. Can the requirements in the standard be applied, as written, to entities that are vertically integrated as well as entities that are disaggregated?

Yes No

Comments:

Consistent Terminology — Each reliability standard, to the extent possible, must use a set of standard terms and definitions (NERC Glossary of Terms) that are developed and approved through the NERC Reliability Standards Development Process.

4. Is the language in this standard consistent with the terminology used in other standards and in the NERC Glossary of Terms?

Yes No

Comments:

5. If a new term has been defined or an existing term has been redefined within the scope of the standard project:

Does the standard identify the new or revised definition of the term?

Yes No Not Applicable

Comments:

Does the Implementation Plan identify the impacted reliability standards?

Yes No Not Applicable

Comments:

Has the drafting team included the revised (redline) versions of the impacted reliability standards?

Yes No Not Applicable

Comments:

Regulatory Directives & Stakeholder Comments – Each drafting team must identify how it addressed each of the issues associated with the standard that were previously identified by stakeholders and regulatory authorities. Drafting Teams may identify a method that is “equally effective and efficient” to achieve the reliability intent of a directive, but if the drafting team does so; it should ask stakeholders (in the comment form) for feedback. For each regulatory directive that is phrased, “. . . direct ... to consider the comments from . . .” the team should provide (in the comment form) its analysis of the proposal, and a question asking stakeholders if they agree with the team’s recommendation.

6. Has the drafting team addressed every regulatory directive?

Yes No Not Applicable

Comments:

7. Has the drafting team addressed every stakeholder issue?

Yes No Not Applicable

Comments:

8. For each regulatory directives that use the phrase, “. . . direct ... to consider the comments from . . .” has the team provided a paragraph to indicate how it considered this directive and what it is recommending?

Yes No Not Applicable

Comments:

9. If the team has identified an “equally efficient and effective” method of achieving the reliability-related intent of a directive, has the team included its reasoning why the alternative method is equally efficient and effective and asked stakeholders for feedback in the comment form?

Yes No Not Applicable

Comments:

Variations – Each proposed variance must be accompanied by a justification for that variance that explains why the region wants its own criteria to apply rather than the continent-wide criteria. A variance for a requirement must include the requirement, associated measure, evidence retention, VRF, Time Horizon, and VSL. If the drafting team submits a variance it should identify whether the team supports the variance and should identify the impact to the continent-wide standard if the standard were revised so that the variance were not needed.

10. If the standard includes a variance, is there a technical justification for the variance and is each requirement in the variance accompanied by a proposed measure, evidence retention, time horizon, VRF, and a set of VSLs?

Yes No Not Applicable

Comments:

11. Has the SDT identified why it can't absorb the variations into its continent-wide requirements without lowering the threshold of performance needed for reliability?

Yes No Not Applicable

Comments:

Compatibility with Existing Standards – Each standard should coordinate with existing enforceable standards without duplicating or conflicting with any already approved requirements.

12. Is the proposed standard consistent with existing standards?

Yes No

If not, does the implementation plan propose modifications to other standards and has the drafting team provided redlines of those standards that reflect those changes and included associated comments in the comment form?

Yes No Not Applicable

Comments:

Agenda 8
NERC Reports

e. NERC Drafting Teams

i. Assess Transmission Future Needs Standards Drafting Team – Tom Mielnik

ii. Protection System Maintenance and Testing – Carol Gerou

Please see the attached report.

iii. NERC Underfrequency Load Shedding Standard Drafting Team – Carol Gerou

Please see the attached report.

iv. Project 2009-01: Disturbance and Sabotage Reporting – Joe DePoorter

Please see the attached report.

Protection System Maintenance and Testing Report

**03/30/10 NERC Draft Team
Protection System Maintenance and Testing**

The Standard Drafting Team revised the protection system definition, the proposed standard PRC-005-2 and its associated supporting references, and the consideration for comments document. Charlie Rogers (The Standards Drafting Team Lead) and Al McMeekin (NERC Staff) filled out the Quality Review check list. All Documents were forwarded to NERC Standards Staff.

NERC Underfrequency Load Shedding Standard Drafting Team

**05/26/10 NERC Draft Team
Underfrequency Load Shedding**

Materials were submitted to NERC Standards Staff. Next 45 day posting expected to start June 11, 2010.

Project 2009-01: Disturbance and Sabotage Reporting

Disturbance and Sabotage Reporting Standard Drafting Team (DSR SDT)

Project 2009-01, Report of team events by Joseph DePoorter, DSR SDT member

The DSR SDT met for a second face to face meeting, this time in Atlanta, Georgia on 4 and 5 May 2010. The purpose of this meeting was the completion of Formal Comments on the previously posted Concept and Assumption Paper. The SDR SDT formulated a 76 page response as outlined in the current Reliability Standard Development Procedure. Overall, the industry agreed with the Concept Paper and the DSR SDT will utilize the Concept Paper as a “road map” as a basis contained within the project. The following are highlights and proposed meeting dates.

1. NERC has recommended that this project be one of the first “Results Based Standard (RBS)” (along with FAC-003 and PRC-005)
2. NERC will provide RBS training to the Chair and the Chair will provide training to the SDT
3. NERC will post Formal reply to Concept Paper towards the end of May, 2010
4. The SDT will meet in the following locations in order to meet a tight timeline:
 - a. June 8-9, WECC office, Salt Lake City, UT, SDT RBS training, develop Standard
 - b. July 13-14, New England area, develop standard and FERC prep
 - c. August 4-5, NWPP office, Portland, OR, finalize standard for posting and post standard
 - d. October 6-7, Baltimore, MA, respond to comments and revise standard
 - e. November 3-4, Phoenix, AZ, finalize standard

Guest that attended the Atlanta meeting:

Kal Ayoub, FERC, Office of Electric Reliability

Scott Mix, NERC

Ben Deutsch, MISO, (recommended replacing Tom Jones of MISO, awaiting NERC SC approval)

All guests added to the discussion and were able to provide answers to questions that the DSR SDT had and gave insight concerning their respective backgrounds. Ben Deutsch is a member of the NERC Event Analysis Working Group and provided insight to the scope of that project.

Agenda 9
Next Meeting/Future Locations

<u>Date</u>	<u>Group</u>
June 24	MRO Board of Directors Meeting
September 13	Face-to-Face SC meeting at MRO
September 23	MRO Board of Directors Meeting
November 18	Face-to-Face SC meeting at MRO
December 2	MRO Board of Directors Meeting



Agenda 10
Adjourn