

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Monitoring System Conditions - Transmission Operations Reliability Standard	Docket No. RM13-12-000
Transmission Operations Reliability Standards	Docket No. RM13-14-000
Interconnection Reliability Operations and Coordination Reliability Standards	Docket No. RM13-15-000

**MOTION OF THE NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION
TO DEFER ACTION**

Pursuant to Rule 212 of the Federal Energy Regulatory Commission's ("FERC" or "the Commission") Rules of Practice and Procedure, 18 C.F.R. § 385.212, the North American Electric Reliability Corporation ("NERC")¹ hereby submits this Motion to Defer Action on NERC's request to approve revisions to the Transmission Operations ("TOP") and Interconnection Reliability Operations and Coordination ("IRO") Reliability Standards until **January 31, 2015**.

I. BACKGROUND

On April 5, 2013, in Docket No. RM13-12-000, NERC proposed revisions to Reliability Standard TOP-006-3 to clarify that Transmission Operators are responsible for monitoring and reporting available transmission resources and that Balancing Authorities are responsible for monitoring and reporting available generation resources.

On April 16, 2013, in Docket No. RM13-14-000, NERC submitted for Commission approval three revised TOP Reliability Standards: TOP-001-2 (Transmission Operations), TOP-002-3 (Operations Planning), TOP-003-2 (Operational Reliability Data), and one Protection

¹ The Commission certified NERC as the electric reliability organization ("ERO") in accordance with Section 215 of the FPA on July 20, 2006. *N. Am. Elec. Reliability Corp.*, 116 FERC ¶ 61,062 (2006).

Systems (PRC) Reliability Standard, PRC-001-2 (System Protection Coordination) (collectively, the “TOP Standards”) to replace the eight currently-effective TOP standards. Additionally, on April 16, 2013, in Docket No. RM13-15-000, NERC submitted for Commission approval four revised IRO Reliability Standards: IRO-001-3 (Responsibilities and Authorities), IRO-002-3 (Analysis Tools), IRO-005-4 (Current Day Operations), and IRO-014-2 (Coordination Among Reliability Coordinators) (collectively, the “IRO Standards”) to replace six currently-effective IRO standards.

On November 21, 2013, the Commission issued a NOPR addressing the three petitions noted above (the TOP-006-3 petition, the TOP Standards petition, and the IRO Standards petition), which proposes to approve the proposed TOP-006-3 standard but remand the proposed TOP and IRO Standards.² In the NOPR, the Commission raises a concern that NERC “has removed critical reliability aspects that are included in the currently-effective standards without adequately addressing these aspects in the proposed standards.”³ For example, the Commission cites the fact that the proposed TOP Standards do not require Transmission Operators to plan and operate within all System Operating Limits (“SOLs”), which is a requirement in the currently effective standards.⁴

² *Monitoring System Conditions- Transmission Operations Reliability Standard Transmission Operations Reliability Standards Interconnection Reliability Operations and Coordination Reliability Standards*, 145 FERC ¶ 61,158 (2013)(“NOPR”).

³ NOPR at P 4.

⁴ NOPR at P 4.

II. NOTICES AND COMMUNICATIONS

Notices and communications with respect to this filing may be addressed to the following:⁵

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III. MOTION

Consistent with NERC’s responsibility as the Electric Reliability Organization (“ERO”) to develop Reliability Standards that provide for an adequate level of reliability of the Bulk-Power System, NERC respectfully requests that the Commission defer action in this proceeding to allow NERC time to consider the reliability concerns raised by the Commission in the NOPR. With respect to the proposed TOP and IRO Standards, NERC recently commissioned an independent review of its Reliability Standards, which also noted concerns with the TOP and IRO Reliability Standards submitted in this proceeding.⁶ Specifically, the independent review identified the proposed TOP-001-2 (Transmission Operations), PRC-001-2 (System Protection

⁵ Persons to be included on the Commission’s service list are identified by an asterisk. NERC respectfully requests a waiver of Rule 203 of the Commission’s regulations, 18 C.F.R. § 385.203 (2013), to allow the inclusion of more than two persons on the service list in this proceeding.

⁶ Available at: http://www.nerc.com/pa/Stand/Standards%20Development%20Plan%20Library/Standards_Independent_Experts_Review_Project_Report.pdf.

Coordination), IRO-001-3 (Responsibilities and Authorities), and IRO-005-4 (Current Day Operations) as high risk standards requiring improvement.⁷ Given these concerns, and the issues identified by the Commission in the NOPR, revisions to the proposed Reliability Standards may be required. Accordingly, NERC requests that the Commission defer action in this proceeding until **January 31, 2015**.⁸

NERC recognizes that proceeding through the administrative process of responding to the NOPR, especially given the concerns articulated by the Commission, will require a significant effort by NERC and industry. While this exercise is not without merit, a more efficient use of industry, NERC, and FERC's resources is to first examine the technical issues in the standards through NERC-led technical conferences with active industry and FERC participation. As described in **Attachment A**, NERC will hold two technical conferences to identify and assess concerns regarding the TOP and IRO Standards, such as the monitoring of SOLs, unknown operating states, and outage coordination. Concurrently, NERC will work with the NERC Standards Committee to re-formulate a standard drafting team to begin development work on revisions to the proposed standards, which would be informed by the technical conferences. Additionally, in response to the concerns noted by the Commission in the NOPR on the development of a minimum set of analytical tools (analysis and monitoring capabilities) to ensure that a Reliability Coordinator has the tools it needs to perform its functions ("Real-Time Tools"), NERC will continue development of standards that address Real-Time Tools as they relate to the proposed TOP and IRO standards, which could continue to be included as part of

⁷ The complete *Standards Independent Experts Review Project* report is available at: http://www.nerc.com/pa/Stand/Standard%20Development%20Plan/Standards_Independent_Experts_Review_Project_Report-SOTC_and_Board.pdf.

⁸ With respect to the proposed TOP-006-3 Reliability Standard, while the Commission raised no significant concerns in the NOPR related to this standard, NERC requests that this Motion to Defer Action also apply to that pending standard given that it was addressed by the Commission in the same NOPR as the proposed TOP and IRO standards. NERC will re-file the proposed TOP-006-3 standard for approval separate from this proceeding.

Project 2009-02, Real-time Monitoring and Analysis Capabilities, or in revisions to the proposed TOP and IRO standards. Conforming changes to standards outside of the scope of this proceeding may be required depending on the extent of the changes made to the proposed TOP and IRO Standards.⁹

Deferring action on the NOPR until January 31, 2015 will provide NERC time to hold the technical conferences and develop any necessary revisions to the TOP and IRO standards for Commission approval. While a deferral until January 31, 2015 may seem extended at first glance, the proposed schedule is compressed given the complexity of these highly technical issues and the necessity to reach consensus through the standard development process. Given the scope of the work and the need for a deferral of Commission action on these standards, NERC commits to providing the Commission with quarterly reports regarding the status of revisions.

Accordingly, given the concerns articulated by the Commission in the NOPR, NERC respectfully requests an opportunity to work with industry and FERC to analyze the concerns and propose a new path forward. This Motion to Defer Action, if granted, would provide NERC and the industry the opportunity to thoroughly examine the technical concerns raised in the NOPR, would afford time to review the proposed TOP and IRO Standards through the NERC standards development process, and would help the industry, NERC, and FERC work toward a common set of solutions to develop a set of standards that are technically justifiable and important for reliability.

⁹ For example, in order to address the Commission's concerns with respect to the requirement in the proposed standards that a Transmission Operator must only provide notification of SOLs identified in a next-day Operational Planning Analysis rather than in the same-day or real-time operational time horizon, changes may need to be made to other IRO standards outside the scope of this proceeding.

IV. CONCLUSION

For the reasons set forth above, NERC respectfully requests that the Commission defer action in this proceeding until **January 31, 2015**.

Respectfully submitted,

/s/ Holly A. Hawkins

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*Counsel for the North American Electric
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December 20, 2013

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon all parties listed on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 20th day of December, 2013.

/s/ Holly A. Hawkins

Holly A. Hawkins

*Counsel for North American Electric
Reliability Corporation*

ATTACHMENT A

Monitoring System Conditions – Transmission Operations Reliability Standards and Interconnection Reliability Operations and Coordination Reliability Standards

DRAFT Technical Conference Agenda

I. The Need for Revisions to the TOP and IRO Reliability Standards

- Notice of Proposed Rulemaking, 145 FERC ¶ 61,158 (2013)
 - Proposed directives

II. Technical Issues

- System Operating Limits
 - Plan and Operate within all System Operating Limits
 - 30 Minute Timeframe or T_m concept
- System Models, Operating and Tools
 - Operating to Respect the Most Severe Single Contingency in Real-time Operations and Unknown Operating Status
 - Analysis capabilities in Real-time operations
 - Are requirements for monitoring necessary in standards or is certification a sufficient backstop for this capability?
- Primary Decision-Making Authority for Mitigation of Interconnection Reliability Operating Limits/System Operating Limits
 - Does the Reliability Coordinator have sole responsibility for IROs?
- Planned Outage Coordination
- Use of the term ‘Reliability Directive’