

Agenda Member Representatives Committee (MRC)

February 8, 2012 | 1:00-5:00 p.m. Mountain

Arizona Grand Resort
8000 S. Arizona Grand Parkway
Phoenix, AZ 85044
602-438-9000

Introduction and Remarks from Outgoing MRC Chair

NERC Antitrust Compliance Guidelines and Public Meeting Notice

Consent Agenda – Approve

1. Minutes

- a. [January 11, 2012 Conference Call](#)
- b. [November 2, 2011 Meeting](#)

2. Future Meetings*

Regular Agenda¹

3. Election of Board of Trustees*

4. Welcome to Phoenix

5. Remarks from Gerry Cauley, NERC President and CEO

6. Update on ERO Enterprise Strategic Planning and Corporate Goals*

7. Standards Development Process Improvements*

8. Rules of Procedure (ROP) Updates *

9. Events Analysis Update and Reliability Risk Trends*

¹ Board Chairman John Q. Anderson has invited input from the committee sector representatives on specific agenda items (see attached).

10. **Generator Owners and Operators That Own and Operate Transmission Facilities***
11. **Definition of Adequate Level of Reliability (ALR)***
12. **Bulk Electric System (BES) Definition — Filing of Phase 1 and Preparations for Phase 2***
13. **Geomagnetic Disturbance Task Force (GMDTF) Update***
14. **Compliance Enforcement Initiative (CEI) Update***
15. **Culture of Reliability Excellence***
 - a. Eric Ruskamp – Lincoln Electric
 - b. Tom Bowe – PJM
16. **November 2011 FERC Technical Conference on Reliability***
17. **Regulatory Update***

*Background materials included.

Antitrust Compliance Guidelines

I. General

It is NERC's policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC's compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC's antitrust compliance policy is implicated in any situation should consult NERC's General Counsel immediately.

II. Prohibited Activities

Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants' expectations as to their future prices or internal costs.
- Discussions of a participant's marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.

- Any other matters that do not clearly fall within these guidelines should be reviewed with NERC's General Counsel before being discussed.

III. Activities That Are Permitted

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC's Certificate of Incorporation, Bylaws, and Rules of Procedure are followed in conducting NERC business.

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

- Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.
- Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.
- Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.

Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.

Future Meetings

Action

None

Background

The below are the future meetings as approved by the board on May 11, 2011.

2012 Dates

February 8–9	Phoenix, AZ
May 8–9	Arlington, VA
August 15–16	Quebec City, Canada
November 6–7	New Orleans, LA

2013 Dates

February 6–7	San Diego, CA
May 8–9	Philadelphia, PA
August 14–15	Montreal, Canada
November 6–7	Atlanta, GA

2014 Dates

February 5–6	Phoenix, AZ
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January 17, 2012

Mr. Scott Helyer, Chair Elect
NERC Member Representatives Committee
Vice President, Transmission
Tenaska, Inc.
1701 E. Lamar Blvd.
Arlington, Texas 76006

Re: Policy Input to NERC Board of Trustees

Dear Scott:

First, congratulations for being elected to lead the Member Representatives Committee (MRC) in 2012. Bill Gallagher did an outstanding job, so you have a tough act to follow.

After carefully reviewing the agenda for the February 8, 2012 MRC meeting, I would appreciate receiving policy input from the committee members on the following activities, priorities, or other areas of interest:

Update on ERO Enterprise Strategic Planning – Following the November Board of Trustees (Board) meeting, NERC and the Regional Entities rededicated efforts to coordinate a collaborative network, the ERO Enterprise, that brings together their collective leadership, experience, judgment, skills, technology, and duly delegated statutory responsibilities for the purpose of ensuring the reliability of the bulk power system (BPS). As the strategic planning of the ERO Enterprise continues into the New Year, the Board would welcome feedback on how to best identify priority areas of interest, common objectives and responsible business practices. Gerry Cauley will review 2011 performance with the Corporate Governance and Human Resources Committee (CGHRC) at its meeting on February 8, 2012, and plans to present proposed 2012 goals for Board approval at its February 9 meeting. The Board welcomes MRC input on these 2012 goals, as well as longer-term strategic directions for the ERO Enterprise, by way of written policy input as well as open discussion at the MRC meeting on February 8.

Find, Fix, Track, and Report Initiative – NERC and the Regional Entities continue to employ a comprehensive and integrated risk control strategy that differentiates and addresses compliance issues according to their significance to the reliability of the BPS. As NERC and the Regional Entities increase their enforcement discretion in the implementation of compliance and enforcement activities, the Board is interested in hearing the committee members' perspective on the implementation of the Find, Fix, Track, and Report (FFT) process. Your input will also assist NERC in preparation for its six month status report to the Federal Energy Regulatory Commission.

Generator Operator (GO)/Transmission Operator (TO) Issues – NERC has suspended work on the entity registration guidance directive intended to clarify those standards and requirements applicable to GO/GOPs that would be registered as TO/TOPs. NERC will consider the following two outcomes prior to making any further decision to resume work on compliance guidance for the GO/TO initiative:

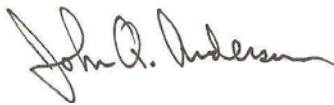
- 1) Guidance from the Board on the proposed revision of FAC-001, FAC-003 and PRC-004 (Standards Project 2010-07).
- 2) The final FERC approval of the NERC compliance filing concerning the upheld registry of Cedar Creek and Milford Wind as TO/TOP with appropriately scoped applicable standards.

The Board is particularly interested in policy input on the standards being presented for approval at its February 8 meeting, as well as any comments on the overall issue.

Rules of Procedure Changes — The Board would like to hear of any concerns the committee has with the general direction of the proposed substantive changes to the Rules of Procedure that the Board will consider for approval at its meeting on February 8. Are these changes, to date, effectively addressing the issues raised during previous MRC and Board meetings?

Thank you in advance for providing written comments to Dave Nevius, MRC secretary (dave.nevius@nerc.net) and Holly Mann (holly.mann@nerc.net) **by January 30, 2012** so they can be packaged and sent to the Board members in advance of the meeting.

Thank you,



John Q. Anderson, Chair
NERC Board of Trustees

cc: NERC Board of Trustees
Member Representatives Committee
Regional Executives

Election of Board of Trustees

Action

Elect three Trustees

Background

Election of the trustees of the Corporation is governed by Sections 5 and 6 of Article III of the Bylaws. The details are provided in the attached report. Dave Goulding, chair of the Board of Trustees Nominating Committee, will present the report (**Attachment 1**).

Report of the Board of Trustees Nominating Committee to the Member Representatives Committee December 16, 2011

The Nominating Committee of the Board of Trustees for the North American Electric Reliability Corporation (NERC) recommends the following nominees for election to the NERC Board of Trustees at the Annual Meeting of the Member Representatives Committee on February 8, 2012:

Class of 2015 (three-year terms):

Ken Peterson
Bruce Scherr
Jan Schori

This report includes a brief biography of each nominee.

Members of Nominating Committee

The Nominating Committee comprises independent trustees Dave Goulding (Chair), John Q. Anderson, Vicky Bailey, Paul Barber, Thomas Berry, Janice Case, Fred Gorbet and Roy Thilly, as well as Member Representative Committee members William Gallagher (TAPS and MRC Chair), Scott Helyer (Tenaska and MRC Vice Chair), John A. Anderson (ELCON), Carol Chinn (American Transmission Company), and Craven Crowell (Texas RE).

Background

Article III of NERC's Bylaws establishes the qualifications and sets the nomination and election procedures for members of NERC's Board of Trustees. NERC's independent trustees serve staggered three-year terms, and an election of trustees occurs at the Annual Meeting of the Member Representatives Committee each year. All independent trustees shall be elected from nominees proposed by the Nominating Committee. A nominee shall be elected an independent trustee if such person receives the affirmative vote of two-thirds of the members of the Member Representatives Committee. Each nominee receiving the necessary two-thirds vote of the Member Representatives Committee shall take office immediately upon election.

The incumbent trustees whose terms expire at the February 2012 Annual Meeting are Ken Peterson, Bruce Scherr and Jan Schori.

Committee Process

The Nominating Committee needed to present three nominees for election at the February 2012 MRC meeting for the positions whose terms expire at the 2012 meeting. The committee was pleased to learn that Ms. Schori and Messrs. Peterson and Scherr were willing and interested to serve an additional term. Committee members solicited the views of stakeholders on the three incumbents and reviewed their performance. Based on stakeholder input and the committee's own views, the committee determined the three incumbents were well-qualified to continue to serve and should be re-nominated. Also figuring into the committee's determination was the fact that next year, the terms of independent trustees John Q. Anderson and Thomas Berry will end, and they will not be eligible for re-nomination to the board. Thus, next year's Nominating Committee will need to nominate at least two new independent trustees.

The Nominating Committee unanimously recommends the three nominees submitted in this report for election to the NERC Board of Trustees for three-year terms ending at the February 2015 annual meeting of the Member Representatives Committee.

Trustee Succession

The Board of Trustees has adopted a policy statement on trustee succession, and the Nominating Committee has followed that policy in making the nominations. The policy statement directs the Nominating Committee to observe the following guidelines in proposing nominees to serve as independent trustees:

- Each year the Nominating Committee should include in its report to the Member Representatives Committee a calculation of the average tenure of the independent trustees. The Nominating Committee should endeavor to keep the average tenure of independent trustees below six years.¹
- To the extent feasible, the Nominating Committee should determine prior to soliciting suggestions for candidates whether the committee expects that one or more incumbent trustees will not be re-nominated.
- No independent trustee may be re-nominated or reappointed after he or she has served on the board for twelve consecutive years, unless at least one year has elapsed between the end of service on the board and the subsequent re-nomination or reappointment.

As of February 2012, Ms. Schori will have three years of service on the NERC board; Mr. Peterson, six years; and Mr. Scherr, 10 years. As of February 2012, the average tenure of all independent trustees

¹ The calculations also include service on the board of the North American Electric Reliability Council.

will be 6.09 years. As of February 2013, with the departure of Messrs. Anderson and Berry and the election of two new independent trustees, the projected average tenure of all independent trustees would be 4.55 years.

Biographies of the Nominees

Kenneth G. Peterson

Kenneth Peterson was first elected to the Board of Trustees of the North American Electric Reliability Corporation in February 2006. Mr. Peterson currently chairs the Standards Oversight and Technology Committee, and serves on the Compliance Committee. Mr. Peterson previously chaired the Nominating Committee, and served on the Finance and Audit and Corporate Governance and Human Resources Committees of the Board of Trustees.

Mr. Peterson is the former president and CEO of Powerex Corporation, a leading marketer of wholesale energy products and services in western Canada and the western United States. He has consulted in the areas of strategic policy and pricing in the energy sector. Prior positions include Director of Planning at BC Hydro and Power Authority and Economic Consultant with Westwater Research Centre, University of British Columbia. He is a past director on the boards of Western Electricity Coordinating Council and the Western Regional Transmission Association. He obtained his MA in economics from Northwestern University, and his BA in economics from the University of British Columbia.

Bruce A. Scherr

Bruce A. Scherr was first elected to the Board of Trustees of the North American Electric Reliability Corporation in February 2002, currently chairs the Compliance Committee, and serves on the Standards Oversight and Technology Committee. Mr. Scherr served as Vice-Chair of the Board in 2010. Mr. Scherr has chaired the Finance and Audit Committee, and served on the Nominating Committee of the Board of Trustees.

Dr. Scherr has been with Informa Economics, Inc. (formerly Sparks Companies, Inc.) since 1987 in several executive capacities, currently Chairman of the Board and CEO. In addition, he is an Advisor for Metalmark Capital LLC, a private equity fund. Formerly he was president of Sparks, Jacobs, Scherr, Inc. (SJS), a sister company to Sparks, and president of Agri-Commodities, Inc., an agriculture consulting firm based in Andover, Massachusetts, which was acquired by SJS. Prior to forming Agri-Commodities, Dr. Scherr was a divisional vice president at Data Resources, Inc., where he developed and utilized for the public and private sectors the first commercially available econometric model for US agriculture. Dr. Scherr received his bachelor's degree from Rutgers University and his M.S. and Ph.D. from Purdue University, all in agricultural economics. Currently, he serves as a member of the Global Strategy Institute Advisory Council of the Center for Strategic and International Studies. He served as a member of the Board of Directors for Desert STAR Inc., an electrical transmission Independent System Operator

for the Desert Southwest from January 2000 through February 2002. In addition, Dr. Scherr has served as a member of The University of Tennessee's (UT) Institute of Agriculture Agricultural Development Board and UT's Committee for the Future. He was recently named a 2007 Distinguished Agriculture Alumni from Purdue University and he is a member of several honorary research and agricultural societies, a member of the National FFA Foundation Sponsors' Board 2000 through 2001 and a former advisor to the President's Council of Economic Advisers and National Aeronautics and Space Administration.

Jan Schori

Jan Schori was first elected to the Board of Trustees of the North American Electric Reliability Corporation in February 2009. Ms. Schori currently serves on the Compliance and Corporate Governance and Human Resources Committees, and previously served on the Finance and Audit and Nominating Committees of the Board of Trustees.

Ms. Schori is the former general manager and chief executive officer of the Sacramento Municipal Utility District (SMUD), the sixth largest publicly owned electric utility in the United States. During her 14 ½ year tenure as CEO, the utility earned a strong reputation for its renewable energy and energy efficiency programs as well as being rated number 1 nationally in commercial customer satisfaction by JD Power & Associates during her last two years there. Ms. Schori is past chair of the American Public Power Association, the Large Public Power Council, and the California Municipal Utilities Association. She is also a past chair of the Business Council for Sustainable Energy and served on the Board of the Alliance to Save Energy. She recently chaired a steering committee for the Alliance to Save Energy's public power Clean & Efficient Energy Project. She also serves on the executive committee and chairs the Audit Committee for the Board of Directors of the Climate Action Reserve, a not for profit agency which develops greenhouse gas (GHG) emission protocols (several of which have recently been adopted by the California Air Resources Board as part of their AB 32 implementation regulations), as well as tracking and registering GHG offset/reduction projects. She is on the board of CalCEF Innovations, the policy arm of CalCEF, a not-for-profit clean energy technologies investment fund. She recently served as a member of the independent oversight panel appointed by the California Public Utilities Commission to investigate the San Bruno gas pipeline explosion; the panel issued its report and recommendations in June 2011.

She is past chair of the board of Valley Vision, a nonprofit organization which promotes collaborative planning and problem solving on regional and community issues in the Sacramento Valley region. She was recognized by the Sacramento Metropolitan Chamber of Commerce with its 2008 Businesswoman of the Year award. She obtained her bachelor's degree from the University of California, Berkeley and her JD from the University of California, Davis. She is on the advisory committee for the law school's Environmental Law & Policy Center. Prior to serving as general manager and CEO, she spent 15 years on the legal staff at SMUD, including five as general counsel. She is now counsel to the law firm Downey Brand LLP in Sacramento, California.

Update on ERO Enterprise Strategic Planning and Goals

Action

Discussion

Background

Gerry Cauley, president and CEO, NERC, will review with the MRC the updated draft ERO Enterprise Strategic Plan 2012–2015 (**Attachment 1**) and draft 2012 corporate goals. This is one of the issues on which NERC Board of Trustees (BOT) Chair, John Q. Anderson, requested MRC policy input.

The draft Strategic Plan will also be discussed on the February 3, 2012, Finance and Audit Committee conference call and the draft 2012 goals will be discussed at the February 8, 2012, Corporate Governance and Human Resources Committee open meeting.

DRAFT

Electric Reliability Organization Enterprise Strategic Plan 2012-2015

The ERO Enterprise is a collaborative, international network comprised of the North American Electric Reliability Corporation (NERC) and the eight Regional Entities that brings together collective leadership, experience, judgment, skills, and technologies for ensuring the reliability of the North American bulk power system. This plan summarizes the ERO Enterprise's mission, vision, values and goals; and provides strategic direction and priorities for 2012 and beyond, which will be reviewed, revised, and supplemented every other year, if not more frequently.

Mission

To ensure the reliability of the North American bulk power system.

Vision

To be the trusted leadership that ensures and continuously improves the reliability of the North American bulk power system by implementing relevant standards; promoting effective collaboration, cooperation, and communication around important risks to reliability; and utilizing expertise from the industry to produce outcomes that improve reliability.

Core Values and Principles

The following core values and principles serve as guidelines for the conduct and behavior of all involved in the ERO Enterprise.

Accountability and Independence — The ERO Enterprise will:

- Be accountable for the public responsibilities delegated to it (a public trust obligation).
- Be impartial, independent of special interests, and impervious to improper influence.
- Balance its own independent regulatory judgment with the need to involve those with expert knowledge and experience in bulk power system reliability matters.

Responsiveness — The ERO Enterprise will act in a timely manner on the basis of unfolding events, emerging reliability risks, and the needs of industry and other stakeholders.

Fairness and Inclusiveness — The ERO Enterprise will:

- Be open and transparent.
- Provide access for clear communication with stakeholders.

- Ensure the legitimate interests of all parties are duly considered and balanced in the development of policies and reliability standards, and in its programs and operations.
- Conduct compliance and enforcement actions judiciously and in proportion to risk, paying regard to risks both potential and actual (realized).

Adaption and Innovation — The ERO Enterprise will:

- Continuously assess and prioritize its goals.
- Embrace change and encourage new ideas that contribute to effective action.
- Recognize the complex relationships and potential tensions between reliability objectives and business imperatives (including cost control).
- Be nimble and artful in responding to novel, unfamiliar, and emerging challenges.

Excellence —The ERO Enterprise will:

- Promote and rely upon the active participation of the best technical leaders from industry.
- Strive for excellence and efficiency in all aspects of Enterprise activities.

Efficiency —The ERO Enterprise will make informed decisions regarding efficient use of its resources and resources shared by industry.

Integrity — The ERO Enterprise will:

- Maintain the highest levels of professional and ethical conduct.
- Be intellectually honest, truthful, candid, and without bias.
- Be rigorous and thorough in all it does, doing the right things the right way.
- Earn trust by treating every person with fairness and respect.
- Work to meet or exceed expectations of stakeholders.

Four Pillars for Success

In order to succeed, the ERO Enterprise will emphasize:

- ***Reliability*** – to address events and identifiable risks, thereby improving the reliability of the bulk power system.
- ***Assurance*** – to provide assurance to the public, industry, and government for the reliable performance of the bulk power system.
- ***Learning*** – to promote learning and continuous improvement of operations and adapt to lessons learned for improvement of bulk power system reliability.
- ***Risk-based Approach*** – to focus attention, resources and actions on issues most important to bulk power system reliability.

Strategic Goals

These pillars of success support the strategic goals of the ERO Enterprise in the following three major areas of focus:

1. **Standards and Compliance**

- a) *Develop clear, reasonable and technically sound mandatory reliability standards in a timely and efficient manner.* These standards establish threshold requirements for ensuring the bulk power system is planned, designed, operated, and maintained in a manner that minimizes risks of cascading failures, avoids damage to major equipment, or limits interruptions of bulk power supply.
- b) *Be a strong enforcement authority that is independent, without conflict of interest, objective and fair.* The ERO will retain and refine its ability to use standards enforcement when warranted and impose penalties and sanctions commensurate with risk.
- c) *Promote a culture of compliance with mandatory reliability standards across the industry.* The ERO will support the industry by identifying procedures, practices and controls to address reliability risks resulting from noncompliance.

2. **Risks to Reliability**

- a) *Identify the most significant risks to reliability.* The ERO will identify and prioritize reliability risks, develop effective solutions and interventions, and monitor results.
- b) *Be accountable for mitigating reliability risks.* The ERO will work with industry stakeholders and experts to ensure the mitigation of known risks to reliability using standards enforcement and other methods where appropriate.
- c) *Promote a culture of reliability excellence.* The ERO will facilitate a learning environment throughout the industry through event causal analysis, communication of lessons learned, tracking of recommendations, and implementation of best practices.

3. **Coordination and Collaboration**

- a) *Improve transparency, consistency, quality and timeliness of results.* The ERO will accomplish this through effective coordination, collaboration and process improvements.
- b) *Operate as a collaborative enterprise.* The ERO will communicate expectations clearly and foster collaboration to deliver important results in advancing system reliability.
- c) *Improve efficiencies and cost effectiveness.* The ERO will accomplish this by engaging the support of stakeholders, being an efficient steward of resources, and leveraging information systems to create efficiencies and process controls.

Standards Development Process Improvements

Action

Discussion

Background

NERC has postponed the forum on the Standards Development Process and Cybersecurity Standards that had been planned for February 28–29, 2012. In the interim, NERC will reach out to industry stakeholders to further develop the issues and alternatives.

MRC members will have an opportunity at the meeting to offer initial thoughts on the Standards Development Process.

Rules of Procedure (ROP) Updates

Action

Discussion

Background

Included in the Board of Trustees (BOT) agenda package is a summary of proposed Rules of Procedure (ROP) revisions, many of which are being made for simplification of the documents, more consistent use of defined terms, moving provisions to different sections where they more logically belong and consolidation of material from multiple sections to one place, greater consistency among different documents that address the same topic, conforming cross references, and similar reasons.

An initial set of proposed revisions to Sections 100-1600 and Appendices 4B and 4C was posted for public comment on June 30, 2011. Comments were submitted on August 15, 2011. Based on the comments received, some additional changes were made. Other revisions also were developed in addition to the first posted set.

Following the board meeting in November, 2011, a consolidated and further revised set of changes to the NERC ROP and applicable Appendices were posted on November 7 and 22, 2011 for public comment. Comments were submitted on December 22, 2011. Based on the comments received, some additional changes were made.

The revisions will be submitted for board approval at the February 9, 2012 meeting. If these revisions are approved by the board, NERC will file the proposed revisions with Applicable Governmental Authorities promptly thereafter.

Click here for information on the clean and redline versions of all the [proposed changes to the ROP](#).

Events Analysis Update and Reliability Risk Trends

Action

Information

Background

Prior to the implementation of the event analysis (EA) field trial there was a lack of a systematic, predictable and transparent event analysis process. There was a deficiency in the review of bulk power system (BPS) events based on risk, significance and prioritization, ultimately contributing to unnecessary risk to reliability of the BPS. There was a lack of consistent and timely reporting of event information and a deficiency in the delivery of valuable lessons learned to the industry.

Earl Shockley, Director of Reliability Risk Management will discuss the EA field trial and outline some key benefits of implementing the EA process and how they addressed the problem statement above. Earl will also share some event metrics.

Generator Owners and Operators That Own and Operate Transmission Facilities

Action

Information

Background

NERC staff drafted compliance guidance concerning the registration of Generator Owner/Operators (GO/GOP) as Transmission Owner/Operators (TO/TOP) early in 2011 and worked with the Regional Entities to refine the guidance document. Additionally, NERC Staff communicated with the Standard Drafting Team (SDT) working on Project 2010-07 *Generator Requirements at the Transmission Interface (GO/TO)*.

NERC provided the draft directive to the North American Generator Forum (NAGF) meeting (also conducted via webinar) on October 18, 2011. NERC requested that all interested parties provide comments through the NAGF or their respective trade associations. The directive and supporting materials were posted on NERC's website on November 11, 2011. NERC received 21 sets of comments representing various registered entities, trade associations and consultants.

Analysis of Responses

The respondents universally indicated it was not clear that the directive was intended to both limit the number of GOs/GOPs that would be registered as TOs/TOPs and, for those that would be registered, that a limited sub-set of Standards would be applicable. Further, the general consensus was that the directive was in conflict with the efforts of Project 2010-07 *Generator Requirements at the Transmission Interface (GO/TO)* SDT.

NERC's Response to the Comments

NERC staff works diligently to base its actions on the following important underlying principles. All bulk power system owners, operators, and users are required to register with NERC.¹ The NERC Registry Criteria, approved by the Federal Energy Regulatory Commission (FERC), delineates the selection criteria employed by NERC and the Regional Entities to determine which organizations should be registered and included on the NERC Compliance Registry (NCR). If an entity meets the Registry Criteria, by definition it is to be registered and the appropriate Standards would apply. It is important to note that this issue is not solely standards related and is in fact a registration issue. Where a GO/GOP owns and operates transmission facilities and meets the registry criteria for a TO/TOP it should be registered as such. However, NERC believes the full set of TO/TOP standards and requirements can be refined to an appropriate subset for GO/GOPs that do not have sophisticated transmission systems. This is the intent of the directive, providing a parallel path of registration responsibilities while the standards applicable to GO/GOPs are appropriately revised.

¹ FERC's Order 672 directs that owners, operators and users of the bulk power system shall be registered with the ERO and the appropriate Regional Entities.

In the registration of New Harquahala, Cedar Creek and Milford Wind, WECC applied the established criteria and registered these entities. Both NERC's Board of Trustees (BOT) and FERC upheld these registrations. FERC established, in its orders denying the entities' registration appeal, three important precedents. First, there is an apparent gap in reliability for those GOs and GOPs (based on the approved registration criteria) that should be registered as TOs and/or TOPs. Second the registration of each of these entities did not establish a precedent that *all* GO and GOPs must be registered as TO/TOPs but registration must be considered based on their unique facts and circumstances. Finally, for those entities that are registered, compliance with a limited set of Standards could be required.

The draft directive is NERC's attempt to appropriately scope TO/TOP standards that are applicable to GO/GOPs that own and operate transmission facilities. The draft directive was informed by FERC orders and the three above precedent principles, and recognized that the priority of registration resources should be based on:

- For entities meeting the full Registry Criteria as a TO and/or TOP the full suite of applicable TO/TOP standards would apply;
- Entities that meet the limited criteria described in the directive of:
 - Blackstart resources available and capability included per the affected Reliability Coordinator's direction in area Restoration Plans;
 - Transmission lines greater than 1 mile or 1.6 kms in length or with a visual impediment between the generation facility switchyard or equivalent and the interconnection to the BPS; and
 - Operated at 100kV or greater and considered 'material to the reliability of the BPS' by the Regional Entity.
- Entities that do not meet either of the above criteria would not be registered initially in order that the Regions could concentrate their efforts on the first two. The deeper anticipation is the relevant standards would be revised and would eliminate the need to register these particular GOs/GOPs.

The draft directive would not order the Regional Entities to immediately register every GO/GOP in this manner but does allow for a risk-based assessment to determine which entities should be registered and to prioritize the timing of the registrations.

The Way Forward

In a telephone conference on January 9, 2012, NERC staff discussed this issue with the outgoing and incoming chair of Project 2010-07 SDT and communicated the following.

NERC has suspended all work on the directive based on the outcome of:

- The Board's decision and any potential comments relative to the Project 2010-07 SDT submittal for approval of the proposed revisions to FAC-001, FAC-003 and PRC-004.
- FERC's final approval of the Compliance Filings concerning the registration of Cedar Creek and Milford.

Definition of Adequate Level of Reliability (ALR)

Action

Discussion

Background

The Adequate Level of Reliability Task Force (ALRTF) was formed in May 2011 under the auspices of the NERC Standing Committees Coordinating Group (SCCG), which comprises the chairs and vice chairs of NERC's standing committees¹, to address concerns expressed by the NERC Board of Trustees (BOT), the Member Representatives Committee (MRC), and stakeholders that NERC's current definition of Adequate Level of Reliability (ALR) needs reassessment to ensure that the definition supports and helps to define NERC's mission to ensure reliable operation of the bulk power system.

The ALRTF's draft scope document describes the Task Force's purpose as follows:

"Deliver, for use by the ERO enterprise, a document which includes a definition of ALR and associated characteristics with demonstrated ability to measure the relative state of ALR on an ongoing basis. The definition and associated characteristics may be identical to those previously approved or may be enhanced if necessary. Further, these measurable objectives and characteristics should focus on support for the ERO's key activities, including Reliability Standards and Compliance and Certification functions. "

The ALRTF's goal is to develop a definition of ALR that encompasses NERC's responsibility to ensure reliable planning and operation of the bulk power system and to identify and define reliability objectives and performance characteristics that drive what system planners and operators do on a day-to-day basis to ensure that the bulk power system is reliable.

The Task Force sought to be as concise as possible in the development of these core reliability characteristics, recognizing that too little detail may leave them unexplained, while extraneous text often obscures a lack of clarity or agreement. ALR is clearly not a single value or outcome or state. Rather, ALR is the result of multiple efforts to achieve bulk power system performance outcomes that will support reliable operations.

This multi-dimensional effort is reflected in NERC's current and evolving body of reliability standards, which work together to establish a portfolio of performance outcome, risk reduction, and capability-based reliability standards that are designed to achieve a defense in depth against an inadequate level of reliability. Other NERC programs, such as industry alerts, reliability assessments, event analysis, education, and the compliance with and enforcement of reliability standards, are designed to work in concert with reliability standards to support

¹ Operating Committee, Planning Committee, Critical Infrastructure Protection Committee, Standards Committee, and Compliance and Certification Committee.

reliable operation. Each of these activities should be driven by the goal of consistently achieving an adequate level of reliability.

The Task Force also agreed that the characteristics of ALR must be objective and measurable, in recognition of NERC's commitment that the ERO enterprise must be a learning organization that assesses industry performance, analyzes trends, and learns from its performance successes and failures, allowing the ERO enterprise to focus on and align its activities with specific characteristics of ALR.

The Task Force's work reexamines the current NERC definition of ALR, which was adopted by the NERC BOT in February 2008 and filed for informational purposes with the Federal Energy Regulatory Commission in May 2008. The ALRTF has developed seven reliability objectives and associated performance outcomes. ALR is the performance state that the design, planning, and operation of the BES will achieve when the following reliability objectives are met:

1. The BES is free from instability, uncontrolled separation, cascading, and voltage collapse under normal operating conditions and when subject to predefined disturbances.
2. BES frequency is maintained within defined parameters under normal operating conditions and when subject to predefined disturbances.
3. BES voltage is maintained within defined parameters during normal operating conditions and when subject to predefined disturbances.
4. Sufficient transfer capability of the BES transmission system is provided and maintained to meet required BES demands during normal operating conditions and when subject to predefined disturbances.
5. Sufficient resource capability on the BES is provided and maintained to meet required BES demands during normal operating conditions and when subject to predefined disturbances.
6. Adverse reliability impacts on the BES resulting from conditions beyond the scope of predefined disturbances (e.g., multiple contingences, unplanned and uncontrolled outages, cyber security events, malicious acts) are minimized.
7. The system has the ability to recover from major system disturbances, such as blackouts and widespread outages, by restoring BES Facilities in a controlled manner that rebuilds BES integrity and restores supply to load.

By the end of March 2012, the ALRTF plans to post the draft definition document identifying these objectives, along with a supporting technical document, for industry review and comment.

The Task Force also recognizes that the definition must be stated in or where necessary, translated and restated in terms that are meaningful to and useful for policy makers.

Without a common language and understanding of ALR concepts, NERC and the industry remain at risk of miscommunications that could lead to wasted resources and missed opportunities to balance policymakers' and the public's expectations concerning electric service reliability (in particular, delivery to the end-use customer) with cost. Thus, along with its definition and technical support document, the Task Force is developing a white paper on social impacts ("Managing Risk and Socioeconomic Impacts of Reliable BES Operations") and a report focusing on process, policy considerations, metrics, implementation, and follow-on work.

Allen Mosher, chair of the ALRTF and chair of the NERC Standards Committee, will present and discuss the status of this initiative.

Bulk Electric System (BES) Definition Filing of Phase 1 and Preparations for Phase 2

Action

Discussion

Background

On November 18, 2010 FERC issued Order 743 and directed NERC to revise the definition of Bulk Electric System (BES) so that the definition encompasses all Elements and Facilities necessary for the reliable operation and planning of the interconnected bulk power system. Phase 1 of Project 2010-17 Definition of Bulk Electric System (DBES) concluded on November 21, 2011 with stakeholder approval of a revised definition of BES and an application form titled '*Detailed Information to Support an Exception Request*' referenced in the Rules of Procedure Exception Process. The revised definition, modifications to the Rules of Procedure to provide a process for determining exceptions to the definition, and an application form to support that process, was presented to the NERC Board of Trustees (BOT) for adoption. The BOT unanimously adopted the Definition and Exception Process. They also unanimously adopted the Rules of Procedure with modifications. Both were filed with applicable regulatory authorities for approval.

Definition of Bulk Electric System (DBES)-Phase 2

Phase 2 of the project is being initiated to develop appropriate technical justification to support refinements to the definition that were suggested by stakeholders during Phase 1, and to refine the definition as technically justified.

The Project 2010-17 Definition of the Bulk Electric System Standard Drafting Team (DBES SDT) is actively working with the NERC Technical Committees (Operating & Planning Committees) to collect and analyze information needed to support revisions to the definition of BES developed in Phase 1 of this project. The goal is to provide a technically justifiable definition that identifies the appropriate electrical components necessary for the reliable operation of the interconnected transmission network. The definition development may include other improvements to the definition as deemed appropriate by the drafting team, with the consensus of stakeholders, consistent with establishing a high quality and technically sound definition of the BES.

Pete Heidrich, standard drafting team chair, will provide a report on the current status of Phase 2 of the DBES project.

Standard Development Process

The DBES SDT posted a draft SAR for stakeholder comment that concluded on February 3, 2012. The DBES SDT sought industry input on existing sources of technical justification that may be available to support refinements to the definition of BES.

Click here for a link to the [project history and files](#) for reference.

Questions or requests for additional information should be directed to Herb Schrayshuen at herb.schrayshuen@nerc.net.

Geomagnetic Disturbance Task Force (GMDTF) Update

Action

None

Background

1. The draft report of the Geomagnetic Disturbance Task force (GMDTF) is scheduled to be approved by the Technical Committees and the NERC Board of Trustees (BOT) on the following schedule:
 - a. Draft report released to the Member Representatives Committee (MRC), Planning Committee (PC), Operating Committee (OC), Critical Infrastructure Protection Committee (CIPC), and Electricity Sub-Sector Coordinating Council (ESCC) on January 23, 2012 for feedback and comment. A secure link to download and to review the report will be provided in a separate email. This email will also contain a username and password to login into the secure site.
 - b. Approval by PC and OC on a February 1, 2012 conference call.
 - c. Endorsement by CIPC through an email vote.
 - d. Approval by the BOT on a conference call is set for February 23, 2012.
2. Draft report conclusions (subject to revision):
 - a. Some transformers may be damaged or experience loss of remaining life from a geomagnetic storm. For example, older, shell-type transformer designs (pre 1972) are at the greatest risk for potential failure, due to braided windings causing high circulating currents.
 - b. System operators will be challenged to maintain voltage stability during GMD events. Geomagnetic induced currents cause transformers to saturate, resulting in large reactive demands on the system.
3. Draft report recommendations for NERC (also subject to revision):
 - a. Identify the one in one-hundred year and worse case wave fronts for use in system studies.
 - b. Provide improved tools for modeling, simulation and system operations to measure impacts and make system design and operational procedure decisions.
 - c. In concert with industry, identify the overall equipment and system vulnerability across North America through simulations.
 - d. Develop education and information exchange programs between researchers and the electric power industry.
 - e. Review the impact to NERC Reliability Standards as a result of geomagnetic disturbance considerations.

Compliance Enforcement Initiative (CEI) Update

Action

Discussion

Background

In the September 30, 2011 filing on its Compliance Enforcement Initiative (CEI), NERC committed to provide to the Federal Energy Regulatory Commission (FERC) by March 30, 2012 a six-month status update on CEI implementation. NERC is seeking feedback from registered entities through meetings and surveys. The Member Representatives Committee open meeting also provides an additional forum for receiving input.

NERC is evaluating additional areas of improvement and efficiency gains and is tracking the success of the program implementation to date. Areas of focus will include examining the types of remediated issues submitted to date, ensuring consistency of application across Regional Entities, and demonstrating that use of the Find, Fix, Track and Report (FFT) process is improving reliability by encouraging the correction and prevention of issues and allowing for more effective resolution of lesser-risk reliability matters.

NERC has posted on its website [information and forms regarding the CEI](#). These forms include guidance to registered entities on information to be included in self-reports in order to assist Regional Entities in evaluating possible violations, assessing the risk, and determining the appropriate disposition of the issue. NERC will continue to hold webinars and workshops with the industry to enhance understanding of the FFT process and the ERO's enforcement efforts.

Through December 2011, 50.5 percent of the remediated issues submitted to FERC involved possible violations of CIP Standards. In the first four months of CEI filings, approximately 50 percent of possible violations were filed as remediated issues, 35 percent of violations were filed in Spreadsheet Notices of Penalty (NOPs), and 15 percent of violations were filed in Full NOPs. The CEI has allowed the ERO to process violations more effectively enabling sharper focus on issues that pose the greatest risk to reliability.

NERC expects that the CEI will provide significant benefits to registered entities as well as NERC and the Regional Entities. The primary benefit for all is improved proportionality of time, efforts and resources commensurate with the risks posed by possible violations. While registered entities remain accountable for correcting and preventing identified reliability issues, they should see a reduction in the level of documentation required to support FFT resolution. This should allow more time, attention and resources to be devoted to correcting those issues that pose a greater risk to the reliability of the bulk power system. Feedback from registered entities will provide valuable insight on the impact of the CEI and FFT to date and opportunities for advancement of the initiative.

Culture of Reliability Excellence

Action

None

Background

At this meeting we will have two presentations on the subject of Culture of Reliability Excellence:

- Eric Ruskamp, Standards and Compliance Program Manager Lincoln Electric System
- Tom Bowe, Executive Director, Reliability and Compliance, PJM Interconnection

November 2011 FERC Technical Conference on Reliability

Action

None

Background

On November 29 and 30, 2011, the Federal Energy Regulatory Commission (FERC) held a technical conference to discuss policy issues related to reliability of the Bulk-Power System. The conference was designed to explore the progress made on the priorities for addressing risks to reliability that were identified in earlier Commission technical conferences. The conference also discussed emerging issues, including processes used by planning authorities and other entities to identify reliability concerns that may arise in the course of compliance with Environmental Protection Agency regulations, and the tools and processes (including tariffs and market rules) available to address any identified reliability concerns. Gerry Cauley, president and CEO, NERC, and representatives of the states and industry, including several members of the MRC, participated.

Click here for a link to the FERC [conference agenda, speakers, and prepared remarks](#).

MRC members will have an opportunity to offer comments on the outcome of the conference.

**Update on Regulatory Matters
(As of January 17, 2012)**

Action

None

Regulatory Matters in Canada

1. Negotiation of the second agreement among NERC, the Régie and NPCC regarding implementation of mandatory standards in Québec has been tentatively concluded and the agreement is under consideration by the provincial government. The Régie has issued a preliminary decision regarding adoption of mandatory standards for Québec.
2. Adoption of NERC Reliability Standards ongoing in Alberta.
3. Implementing regulations being developed in Manitoba.
4. Implementing regulations being developed in British Columbia.

FERC Orders Issued Since the Last Update

1. October 07, 2011 – Order on Compliance Filing Regarding NERC's Rules of Procedure, Pro Forma Delegation Agreements, and Delegation Agreements between Bylaws of the Florida Reliability Coordinating Council (FRCC) and Midwest Reliability Organization (MRO). *Docket Nos. RR10-11-003, RR07-8-005, RR07-8-004, RR07-7-008, RR07-3-005, RR07-3-004, RR06-1-026, RR06-1-025, RR06-1-024.*
2. October 13, 2011 – FERC issued a Letter Order approving NERC's May 31, 2011 filing that compared budgeted costs to actual costs for the 2010 fiscal year. *Docket No. RR11-4-000.*
3. October 17, 2011 – FERC issues a letter order approving a petition requesting approval of amendments to the Delegation Agreement between NERC and Northeast Power Coordinating Council, Inc. (NPCC), specifically amendments to NPCC's Bylaws and Regional Reliability Standards Development Procedure. *Docket No. RR11-3-000.*
4. October 20, 2011 – Order Accepting 2012 Business Plan and Budget of NERC and the business plans and budgets of the Regional Entities and WIRAB, as well as the associated attachments and updates. *Docket No. RR11-7-000.*
5. October 20, 2011 – FERC issues a NOPR in which it proposes to remand NERC's proposed revision to Footnote "b" of Transmission Planning Reliability Standard TPL-002-0a regarding planned or controlled interruption of electric supply where a single contingency occurs on a transmission system. *Docket No. RM11-18-000.*
6. October 20, 2011 – Order Approving Interpretation of Reliability Standard TOP-002-2a. *Docket No. RD11-9-000.*
7. October 20, 2011 – Notice of Proposed Rulemaking proposing to approve Automatic Underfrequency Load Shedding and Load Shedding Plans Reliability Standards PRC-006-1

(Automatic Underfrequency Load Shedding) and EOP-003-2 (Load Shedding Plans), VRFs, VSLs, implementation plan, and effective date. Docket No. RM11-20-000.

8. October 20, 2011 – FERC issued an order denying rehearing of the January 14, 2011 rehearing request submitted by the US Army Corps of Engineers-Tulsa District. FERC reaffirms its previous findings that federal entities are obligated to adhere to the requirements of duly adopted and approved Reliability Standards under FPA section 215. Docket No. NP10-160-001.
9. October 20, 2011 – Order Approving Regional Reliability Standard PRC-002-NPCC-01 and the accompanying implementation plan. Docket No. RD11-8-000.
10. October 28, 2011 – FERC issued an Order stating that it would not further review, on its own motion, the following Notices of Penalty in Docket Nos. NP11-267-000 Metropolitan Edison Company; NP11-268-000 Electric Reliability Council of Texas, Inc.; NP11-269-000 Unidentified Registered Entity; and NP11-270-000 Spreadsheet NOP.
11. November 08, 2011 – FERC Staff's Plan for Retrospective Analysis of Existing Rules - FERC issued its plan for retrospective analysis of existing rules. FERC created this plan in response to the Executive Order 13579 which requested that independent agencies issue public plans for periodic retrospective analysis of their existing rules. Docket No. AD12-6-000.
12. November 08, 2011 – Notice of Technical Conference on Voltage Coordination on High Voltage Grids to be held on Thursday, December 1, 2011 from 9:00 – 4:30 p.m. Docket No. AD12-5-000.
13. November 09, 2011 – FERC Follow-Up Actions for Southwest Power Pool Regional Entity, Texas Regional Entity and Western Electricity Coordinating Council in response to August 16, 2011 Joint Report - The Joint Report was issued by FERC and NERC following an inquiry into the February 2011 cold weather event in the Southwest. Docket No. AD11-9-000.
14. November 14, 2011 – Request for Evidence of Commissioner Moeller on EPA Issues for the November 2011 Reliability Conference. Docket Nos. AD12-1-000, RC11-6-000, and EL11-62-000.
15. November 15, 2011 – FERC issues a letter order accepting NERC's May 25, 2011 filing of a petition for approval of a Compliance Monitoring and Enforcement (CMEP) Agreement between NPCC and WECC, and agreement between NERC and WECC regarding termination of the existing CMEP agreement of WECC entities, and related amendments to Delegation Agreements between NERC and NPCC and NERC and WECC. Docket No. RR11-2-000.
16. November 17, 2011 – Order Approving Amendments to NERC Rules of Procedure Appendices 3B and 3D regarding the election procedures for member of the NERC Standards Committee and for changes to the Registered Ballot Body criteria. Docket No. RR11-5-000.
17. November 17, 2011 – Order Denying Rehearing and Partially Granting Clarification Regarding Cedar Creek and Milford Compliance Registry Appeals in response to NERC's July 18, 2011 request for clarification or rehearing concerning appeals of Cedar Creek and Milford's registration as TOs and TOPs. Docket Nos. RC11-2-001 and RC11-1-001.

18. November 17, 2011 – Order Approving Reliability Standard FAC-013-2. Docket No. RD11-3-000.
19. November 17, 2011 – Order Denying Rehearing of Southwest Power Pool Regional Entity's and Nebraska Public Power District's Requests for Rehearing of FERC's July 21, 2011 Order Denying Petitions for Review NPPD's transfer to SPP RE. Docket No. RR11-1-002.
20. November 17, 2011 – Order Approving Reliability Standard FAC-008-3 (Facility Ratings), the associated Violation Risk Factors (VRF) and Violation Severity Levels (VSL), and retirement of Reliability Standards FAC-008-1 (Facility Ratings Methodology) and FAC-009-1 (Establish and Communicate Facility Ratings). Docket No. RD11-10-000.
21. November 30, 2011 – FERC issued an Order stating that it would not further review, on its own motion, the following Notices of Penalty in Docket Nos. NP12-1-000 Unidentified Registered Entity and NP12-2-000 Spreadsheet NOP.
22. December 1, 2011 – FERC approves the Stipulation and Consent Agreement between the Office of Enforcement, NERC, and PacifiCorp. Docket No. IN11-6-000.
23. December 15, 2011 – Order Approving Interpretation of EOP-001-0 Requirements R1 and R3.2. Docket No. RD11-12-000.
24. December 30, 2011 – FERC issued notice stating that it would not further review, on its own motion, the following Notices of Penalty in Docket Nos. NP12-3-000 Unidentified Registered Entity, NP12-4-000 Unidentified Registered Entity and NP12-5-000 Spreadsheet NOP.
25. January 10, 2012 – Letter Order Approving Revisions to Section 1.3 of Appendix 4D of the NERC Rules of Procedure – Procedure for Requesting and Receiving Technical Feasibility Exceptions (TFE) to NERC Critical Infrastructure Protection Standards. Docket No. RR12-1-000.

NERC Filings Since the Last Update

1. October 19, 2011 - Petition for Approval of a Revised Transmission Planning System Performance Requirements Reliability Standard TPL-001-2 and five new glossary terms and for retirement of four existing Reliability Standards. Docket No. RM12-1-000.
2. October 31, 2011 - Informational Report on Analysis of Standards Process Results for the Third Quarter 2011 in compliance with an order issued by FERC on January 18, 2007 and a subsequent order on September 16, 2010. Docket Nos. RR06-1-000 and RR09-7-000.
3. October 31, 2011 Notices of Penalty regarding the following entities in Docket Nos. NP12-1-000 Unidentified Registered Entity and NP12-2-000 Spreadsheet NOP.
4. October 31, 2011 – October Find, Fix and Track report filing. Docket No. RC12-1-000.
5. November 7, 2011 - Compliance Filing in Response to the October 7, 2011 Order to restore Section 402.1.3.2 to the NERC Rules of Procedure. Docket No. RR10-11-004.
6. November 14, 2011 - Motion for Leave to Answer and Answer in response to the Petition Requesting Approval of New Enforcement Mechanisms and Submittal of Initial Informational Filing Regarding NERC's Efforts to Refocus Implementation of its Compliance Monitoring and Enforcement Program. Docket No. RC11-6-000.

7. November 14, 2011 - Petition for Approval of a Revision to the Rules of Procedure of the North American Electric Reliability Corporation – Correction to Section 1.3 of Appendix 4D, “Procedure for Requesting and Receiving Technical Feasibility Exceptions to NERC Critical Infrastructure Protection Standards.” Docket No. RR12-1-000.
8. November 21, 2011 - Comments in response to the Notice of Proposed Rulemaking on proposed Reliability Standard PRC-023-2 - Transmission Relay Loadability. Docket No. RM11-16-000.
9. November 21, 2011 - Comments in Response to Notice of Proposed Rulemaking on the Version 4 Critical Infrastructure Protection Reliability Standards. Docket No. RM11-11-000.
10. November 22, 2011 - Motion for Extension of Time to address the directive in Order No. 742 regarding whether personnel that support EMS applications should be included in a Support Personnel Training Reliability Standard, in accordance with NERC’s Reliability Standards Development Plan 2012-2014. Docket No. RM09-25-000.
11. November 22, 2011 - Motion for Extension of Time to address the directive in Order No. 733 to develop a new generator relay loadability standard, in accordance with NERC’s Reliability Standards Development Plan 2012-2014. Docket No. RM08-13-001.
12. November 22, 2011 - Petition for Approval of Amendments to Delegation Agreement with WECC, amendments to WECC's Bylaws and Regional Reliability Standards Development Procedure. Docket No. RR12-2-000.
13. November 23, 2011 - Third Quarter 2011 Compliance Filing of the North American Electric Reliability Corporation in Response to Paragraph 629 of Order No. 693. Order No. 693 requires that NERC provide a quarterly informational filing regarding the timeframe to restore power to the auxiliary power systems of U.S. nuclear power plants following a blackout as determined during simulations and drills of system restoration plans. Docket No. RM06-16-000.
14. November 29, 2011 - Petition for Approval of Definition and Capitalization Revisions to the NERC Rules of Procedure. The purposes of the proposed revisions are (1) to place all definitions of defined terms used anywhere in the ROP in a single, readily-accessible location (proposed new Appendix 2); (2) to capitalize defined terms throughout the ROP where such terms are intended to be used in their defined meanings; and (3) to lower-case other terms that are currently capitalized in the ROP but are not defined terms. Docket No. RR12-3-000.
15. November 30, 2011– Notices of Penalty regarding the following entities in Docket Nos. NP12-3-000 Unidentified Registered Entity, NP12-4-000 Unidentified Registered Entity and NP12-5-000 Spreadsheet NOP.
16. November 30, 2011 – November Find, Fix and Track report filing. Docket No. RC12-2-000.
17. December 2, 2011 - Compliance Filing in accordance with the June 16, 2011 Order - The June 16 Order upheld the registration of Cedar Creek Wind Energy and Milford Wind Corridor Phase I and required them to comply with a list of Transmission Owner and Transmission Operator Reliability Standards and Requirements that apply to the entities. Docket Nos. RC11-1-002 and RC11-2-002.

18. December 2, 2011 - Response to Request for Production and Request for Confidential Treatment in response to the request of City of Holland. Docket No. RC11-5-000.
19. December 5, 2011 - Reply Comments in response to Notice of Proposed Rulemaking on CIP Version 4 Reliability Standards. Docket No. RM11-11-000.
20. December 13, 2011 - NERC Standards Development Plan 2012-2014 Informational Filing Pursuant to Section 310 of the NERC Rules of Procedure detailing current and upcoming Standards projects and timelines. Docket Nos. RM05-17-000, RM05-25-000, RM06-16-000.
21. December 20, 2011 – Supplemental information for the Spreadsheet Notice of Penalty regarding the Public Utility District Number 1 of Clark County violations. Docket No. NP12-5-000.
22. December 21, 2011 - Comments in Response Notice of Proposed Rulemaking regarding a proposed revision to footnote 'b' of Table 1 in four proposed Transmission Planning Reliability Standards. Docket No. RM11-18-000.
23. December 21, 2011 - Petition for Approval of Proposed Reliability Standard FAC-003-2 - Transmission Vegetation Management. Docket No. RM12-4-000.
24. December 23, 2011 - Comments in Response to Underfrequency Load Shedding Notice of Proposed Rulemaking regarding Automatic Underfrequency Load Shedding and Load Shedding Plans Reliability Standards. Docket No. RM11-20-000.
25. December 30, 2011 Notices of Penalty regarding the following entities in Docket Nos. NP12-6-000 Jersey Central Power & Light Company; NP12-7-000 West Penn Power Company, Monongahela Power Company, and The Potomac Edison Company; NP12-8-000 Sacramento Municipal Utility District; NP12-9-000 Unidentified Registered Entity and NP12-10-000 Spreadsheet NOP.
26. December 30, 2011 – December Find, Fix and Track report filing. Docket No. RC12-6-000.
27. January 6, 2012 - Informational Filing regarding Paragraph 773 of Order No. 672 - NERC submits this informational filing to report that the initial Audit activities of the eight Regional Entities are completed and to provide information on its plans to focus efforts to restructure the Regional Entity Audit Program. Docket Nos. RR09-7-000 and RR10-11-000.
28. January 11, 2012 - Answer to Comments regarding Compliance Filing for Cedar Creek Wind Energy and Milford Wind Corridor Phase I - On December 23, 2011, the Electric Power Supply Association (EPSA), the Edison Electric Institute (EEI) and the American Wind Energy Association (AWEA) filed comments in the dockets regarding NERC's December 2, 2011 compliance filing for Cedar Creek Wind Energy and Milford Wind Corridor Phase I. NERC submits this answer to the comments. Docket Nos. RC11-1-000 and RC11-2-000.
29. January 17, 2012 – Compliance Filing in response to the November 17, 2011 Order approving VRF for Requirement R2 for FAC-008-3. Docket No. RD11-10-000.
30. January 17, 2012 – Compliance Filing in response to the November 17, 2011 Order approving Reliability Standard FAC-013-2 in which NERC had to submit revised VRFs for Requirements R1-R4 and revised VSL for Requirement R1. Docket No. RD11-3-000.

Anticipated NERC Filings

1. January 25, 2012 – NERC must submit a filing within one year of the January 25, 2011 effective date of the November 18, 2010 Order regarding the Revision to ERO Definition of the Bulk Electric System. NERC's filing will include a proposed change to the definition of "Bulk Electric System" and corresponding changes to the NERC Rules of Procedure. NERC, Order No. 743, *Docket No. RM09-18-000*.
2. January 31, 2012 – NERC must submit quarterly reports within 30 days of the end of each quarterly period, beginning with the fourth quarter of 2010, through and including the fourth quarter of 2013, on voting results in the Reliability Standards Development Process (see P 85 of the September 16, 2010 Order on the Three-Year Performance Assessment) Docket Nos. RR09-7-000 and AD10-14-000 (April 30, July 31, October 31, January 31).
3. March 15, 2012 – NERC must submit an informational filing, six months from the issuance of the Order No. 754 which approved the interpretation of Requirement R1.3.10 of TPL-002-0, to explain whether there is a further system protection issue that needs to be addressed and if so, what forum and process should be used to address that issue and what priority it should be accorded relative to the other reliability initiatives planned by NERC. Docket No. RM10-6-000.
4. March 30, 2012 – Six Month report to FERC on the Compliance Enforcement Initiative Experience
5. April to June 2012 (Second Quarter 2012) – NERC's timeline to address all outstanding issues from Order No. 706 directives, anticipated that NERC will submit next version of CIP Standards to the NERC Board of Trustees. See NERC's May 27, 2011 Response to Data Requests, Response 1 and the 2011-2013 Informational Filing on the Standards Development Plan. Docket Nos. RM05-17-000, RM05-25-000, RM06-16-000 and RM11-11-000.
6. May 2012 – NERC must submit a revised BAL-003 Standard (See October 25, 2010 NERC Filing). Docket No. RM06-16-011.
7. May 22, 2012 – NERC and WECC will submit a revised Standard that includes the Violation Severity Levels associated with each requirement of the revised BAL-004-WECC-1 Standard (See May 21, 2009 Order) (See November 22, 2010 NERC submittal). Docket No. RM08-12-000.
8. May 31, 2012 – NERC's true-up filing for the 2010 business plans and budgets.
9. July to September 2012 (Third Quarter 2012) – NERC's timeline to address all outstanding issues from Order No. 706 directives, anticipated that NERC will file next version of CIP Standards at FERC. See NERC's May 27, 2011 Response to Data Requests, Response 1 and the 2011-2013 Informational Filing on the Standards Development Plan. Docket Nos. RM05-17-000, RM05-25-000, RM06-16-000 and RM11-11-000.
10. August 23, 2012 – NERC must address Order No. 693 Directives to consider if EMS application support personnel should be included in training Reliability Standard. Docket No. RM09-25-000.