SPP RE News: February 2012

CIP Workshop & Summer Assessment, Hashing, Future Standards Webinars

We hope you will register for our May 22-23 CIP Workshop in Dallas. The draft agenda includes sessions on:

- Threats and Tactics
- CIP Audit Process: What to Expect
- SCADA Hack Demo
- CIP-007/R1 System Configuration Baseline/Security Control Testing
- Physical Security Complimentary Controls
- NERC CIP Cyber Vulnerability Assessment…and much more.

Stakeholder Input on Summer Assessment, March 15, 2:30 CST. SPP RE and RTO staff will solicit feedback and input into the 2012 Summer Reliability Assessment before it is finalized. Evaluations will include Planning Reserve Margins, Projected Demand Levels, Demand-side Management, Resource Availability, Capacity Transactions, Transmission Additions, Operational Issues, and Potential Reliability Vulnerabilities.

How to Hash Evidence for CIP Audits, March 29, 1:30 CST
The CIP audit team requires evidence to be hashed to protect file integrity. Shon Austin will demonstrate hashing using two tools.

Review of Standards Effective in 2012/2013, May 31, 2:00 CST
Our 693 compliance staff will review a FAC standard effective April 2013, a PER standard effective Oct. 2012, and four EOP standards effective July 2013; the EOP standards may require longer-term planning to be compliant.

From Stacy Dochoda’s Desk: 2012 Staff Goals to Encourage More Efficient Performance

We first adopted metrics in 2009 to help us identify resource constraints and focus staff on specific performance goals. We refined our metrics in 2010 and 2011 to encourage more efficient performance and identify process improvements. This year, we have set goals to encourage staff to publish audit/spot check reports and assessments more quickly, expedite mitigation plan submission and processing,
reduce audit costs, and improve reliability by reducing misoperations. We hope staff’s focus on these goals will benefit Registered Entities by helping them return to compliance as soon as possible and encouraging most efficient/effective use of our tools and resources.

**Under Frequency Load Shedding (UFLS) Standard Update**

In January the SPP System Protection and Control Working Group (SPCWG), which served as the UFLS Standard Drafting Team (SDT), asked the Markets and Operations Policy Committee (MOPC) for an advisory vote on SPP UFLS Standard (PRC-006-SPP-1). The MOPC concurred with the standard with a 76.7% roll call vote. Also in January the SPP Members Committee endorsed the SDT’s recommendation to concur with the standard. The Board of Directors did not endorse PRC-006-SPP-1.

Next, the standard will be presented to the Regional Entity Trustees for action at their April 23 meeting. The Trustees can either 1) Recommend NERC approve the standard through the NERC process, 2) Remand PRC-006-SPP-1 to the SDT through MOPC with comments and instructions, or 3) Determine there is no need for the standard and terminate future activity.

**NERC’s Facility Rating Alert – High Priority Line Results**

Per NERC’s Facility Rating (FAC) Alert, Registered Entities were to assess and analyze high priority lines (primarily 345 kV and above) by December 31, 2011. **FAC Alert regional and national statistics:**

- 83% of assessments were completed nationally; 75% were completed in SPP RE region
- 7 discrepancies were found for every 100 miles assessed nationally; 8.4 discrepancies/100 miles were found in SPP RE region
- The most common discrepancies were ground to structure clearance and clearance to transmission/distribution under-build
- 3,973 miles were assessed in SPP region using Lidar, Aerial Patrol and/or Field Inspections; 332 discrepancies were found
- Discrepancy remediation varies across regions from 7% complete to 66% complete; 21% of discrepancies have been remedied in SPP RE region

The FAC Alert is a three-year program, and discrepancy remediation for the high priority lines will continue in 2012 along with assessments for medium priority lines. Due to the large number of discrepancies found nationwide (5,100) and in our region, SPP RE Executive Director of Compliance Ron Ciesel states, “The FAC Program is important to reliability, and I encourage our Registered Entities to be diligent in completing assessments and discrepancy
remediation.” Please contact Deborah Currie or Alan Wahlstrom with questions.

NERC Event Analysis Process Effective February 21, 2012

NERC’s Board of Trustees approved the Electric Reliability Organization’s Event Analysis Process which is effective Feb. 21, 2012. The process was created by NERC/Regional Entity staff and industry participants in a bottoms-up approach to improving Bulk Electric System (BES) reliability by sharing lessons learned from system events, conditions and trends. The process will not supersede reporting requirements currently in force. The following changes were made based on the Phase II field trial:

- Removed 24-hour event notification and Compliance Self-Assessment requirements
- Required Data Hold and Event Analysis Report for Category 3 and higher events (previously 2 and above)
- For Category 4 and 5 events, extended due date to 180 business days for Event Analysis Report and Lessons Learned
- Clarified weather-related events
- Added Planning Meeting and Event Analysis Report Template

If you have a qualifying event, Deborah Currie or Alan Wahlstrom will work with you on preparing the required documents. Our Event Analysis page contains several regional lessons learned and an example Event Analysis Report.

New Winter Weather Lessons Learned

Adequately preparing for winter conditions is important for all generators, especially those in the South where freezing conditions are not experienced every year. Florida Power & Light (FPL) made changes to their winter preparations and new plant designs to incorporate lessons learned from past freeze events. We believe FPL has made some good recommendations and encourage our Generator Owners and Operators to review these lessons learned. In January NERC also posted several informative lessons learned related to winter weather.

NERC News

NERC Board Approves Three Standards and Two Interpretations
On Feb. 9, the NERC Board of Trustees approved:

- Project 2010-07 Generator Requirements at the Transmission Interface (FAC-001-1 and PRC-004-2.1a)
- Project 201-INT-01 Rapid Revision of Area Methodology (MOD-028-1)
- Project 2008-10 Interpretation of Cybersecurity – Physical Security of Critical Cyber Assets (CIP-006-x)
- Project 2009-22 Interpretation of Communications and Coordination (COM-002-2)

**Improving Human Performance on the Grid Conference to Include Cause Analysis Training**

NERC is hosting a conference in Atlanta March 27-29 that will include a training course on cause analysis methods and tools that can identify the root causes of BES events. The focus of NERC’s Event Analysis program is to improve reliability by sharing lessons learned, but lessons can only be developed after determining root cause. We encourage you to attend this valuable training so we can better understand the cause of events in the SPP region and share that information with others. Register for the training and conference.

**Save the Date for 2012 Standards and Compliance Workshops**

April 16-18, Manchester Grand Hyatt in San Diego, CA  
October 23-25, Westin Buckhead in Atlanta, GA

**Upcoming Deadlines for Standards/Interpretations**

NERC Functional Model Demand Response Functions and Entities; Informal comment period through 3/14  
2011-INT-02 Rapid Revision of VAR-002; Comments/votes due 3/23  
Project 2010-INT-05 Interpretation of CIP-002-x for Duke; Comments/votes due 3/23  
2009-26 Interpretation of CIP-004 for WECC; Comments/votes due 3/23  
Security Guideline for the Electricity Sector: Physical Security; Comments due 3/19

**BES Definition and ROP Changes Filed at FERC**

NERC filed a petition with FERC for approval of a revised BES definition and revisions to the Rules of Procedure to implement the definition. Phase 2 will develop appropriate technical justification to support refinements to the definition that were suggested by stakeholders during Phase 1.

**NERC Considers Updates to VRF Definitions and VSLs**

The Standards Committee asked NERC staff to move forward with developing proposals for updating Violation Risk Factor (VRF) definitions and for streamlining Violation Severity Levels (VSLs). Updating the definitions will provide a consistent methodology to determine a requirement’s proper VRF classification. The VSL proposal, referred to as “Pro Forma VSLs,” aims to create uncomplicated levels of severity that will provide enforcement staff with a
straightforward way to classify penalties. The proposed modifications will be posted for comment following the Rules of Procedure process. Email Scott Barfield-McGinnis to subscribe to the VRF and/or VSL email lists.

Quick Reference

SPP RE

2012 Compliance Plan/Schedules - Calendar - Compliance and Enforcement - File Clerk - Homepage - Regional Standards Under Development - Registration Application/Change Form - Subscribe to SPP email lists - Training and Education - webCDMS

NERC


Our Staff

We are happy to help you with any questions or concerns.

RE Trustees

John Meyer, Chairman and Trustee
Gerry Burrows, Trustee
Dave Christiano, Trustee

You can share concerns or feedback directly with the SPP RE Trustees by calling 888-394-2292. The phone line is staffed by a third-party provider who will ask if you want to remain anonymous. While SPP RE staff is always available to answer questions and discuss issues, this phone line gives stakeholders another tool for addressing compliance concerns.

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This newsletter was sent to:
Board/Members Committee exploder
Critical Infrastructure Protection Working Group exploder
Markets and Operations Policy Committee exploder
Operating Reliability Working Group exploder
RE Authorizing Officers
RE News
RE Primary Compliance Contacts
RE Standards Development exploder
RE Trustees exploder
SPP Compliance Contacts exploder

To subscribe, visit our email list page and select Regional Entity News. Back issues are also posted. If you have questions about this publication, please contact Emily Pennel at (501)
SPP RE is an independent and functionally separate division of SPP, Inc. that promotes and works to improve bulk electric system (BES) reliability. SPP RE oversees the development of regional reliability standards; monitors and enforces registered entities' compliance with reliability standards; assesses and evaluates BES reliability; and provides technical expertise and assistance to BES owners, operators, and users - in particular to registered entities located within SPP RE's eight-state footprint that includes all or parts of Arkansas, Kansas, Louisiana, Mississippi, Missouri, New Mexico, Oklahoma, and Texas.