SPP RE News: July 2013

Join us at our Fall Workshop!

You are invited to register for our Fall Workshop, Oct. 8-9 in Little Rock and via webinar. We have a packed agenda, including:

• NERC on CIP Version Transition Guidance
• Entity Perspectives on Internal Controls
• Upcoming Changes to Modeling Data/Standards
• Company-Wide Compliance Forums
• NERC’s Organizational Structure/RAI Update

You may choose from among 12 break-outs (not available via phone/webinar). There are three consecutive CIP sessions and three on Protective Systems for subject matter experts who want extended time to discuss these issues. Other sessions include Emergency Load Shed/UFLS for Small Entities, Determining and Communicating SOLs, and EOP-004-2/Event Analysis Process Revisions.

The workshop is at the SPP Corporate Center; a $119 room block is available at the Embassy Suites Little Rock through 9/17/13.

We are considering renting transportation to take attendees from the Embassy to SPP (the hotel provides an airport shuttle). Would you use a shuttle from the hotel to the meetings? Please submit a YES or NO vote!

If you are attending the Oct. 9-10 RTO Forum, please register separately so both groups will have accurate counts.

It's not too late to sign-up for the August 7-8 RTO Forum for members/entities, also at SPP! Register or get more info.
From Ron's Desk

Dear Stakeholders,

It’s been almost 10 years since the August 2003 blackout that impacted over 50 million people and initiated sweeping changes in our industry. The blackout was the catalyst for moving from voluntary to mandatory standards and for creation of the ERO and Regional Entities. Is the Compliance and Monitoring Enforcement Program (CMEP) working? A stakeholder recently asked me, “Is the system more reliable than it was last year?” I noted that we’ve only had one regional vegetation management contact in three years. (Vegetation contact was the trigger of the 2003 blackout.) System events, compliance violations, and misoperations are decreasing. Our Enforcement group is getting information back to entities more quickly so mitigation can be completed in a timely manner. NERC and the REs are aware we need to quantify the value and improvements brought about by the CMEP. Going forward with standard development, there will be a new emphasis on a cost/benefit review to determine expected improvements compared to implementation cost.

NERC is promoting further CMEP improvement with its Reliability Assurance Initiative (RAI). The RAI emphasizes the need for entities to rely on strong internal controls. KCPL’s Jennifer Flandermeyer is our region’s representative on the NERC Compliance and Certification Committee, which recently published an Internal Controls Working Guide for entities. I encourage you to read it and the RAI Q&A.

Another RAI initiative was the creation of a “blue ribbon panel” of five independent industry experts, including SPP RE Trustee John Meyer, to review all the 693 standards. The experts’ report recommends retiring 147 requirements, as well as consolidating and enhancing others. The panel identified some gaps in the current standards that should be filled to enhance BES reliability.

I encourage you to read NERC’s first national Misoperation Report and FAQ, which found that ~65% of misoperations are caused by incorrect settings/logic/design errors, relay failures/malfunctions, and communication failures. The report summarizes ways to potentially reduce future misoperations. We need to keep misoperations reduction top-of-mind.

Finally, NERC published draft revised CIP Version Transition guidance on 7/17/13. See Kevin Perry’s presentation (item 4) for the July 29 RE Trustees meeting for a summary.

Sincerely,
Ron Ciesiel, General Manager
Aug./Sept. Webinars on SOLs, Winter Assessment, NERC Standards Update

Aug. 27, 9:30 a.m. CST - Standards Development Status Report NERC staff will discuss for our region its progress in executing the 2013-2015 Reliability Standards Development Plan (RSDP), development of the 2014-2016 RSDP, and incorporation of feedback from a review panel from industry experts into long-term planning.

Sept. 19, 2:30 p.m. CST - 2013 Winter Reliability Assessment We will give a brief overview of the draft 2013 Winter Reliability Assessment and solicit your feedback and input on the report before it is finalized.

Sept. 20, 9:30 a.m. CST - Determining and Communicating TOP System Operating Limits (SOLs) We will discuss common issues related to SOL determination, such as voltage/stability limits; how planning SOLs should be communicated to operations staff; and when to reassess SOLs.

Slides from our June webinar on PRC-006-1 and EOP-003-2, Effective 10/1/13 are posted.

Four New CIP Videos

If you missed our CIP workshop, we’ve posted videos to our video training webpage:

• CIP-005 R3 - Eric Ervin with Westar Energy and Louis Guidry with Cleco share their organizations’ approach to compliance with CIP-005 R3, logging and monitoring.

• Firewalls: 13 Ways to Break Through - Andrew Ginter with Waterfall Security Solutions shares 13 ways through a firewall - what you don't know can hurt you.

• NetAPT Demo - Edmond Rogers with the University of Illinois at Urbana-Champaign discusses identifying and managing network zones.

• CIP-007 R3 and R4 - Reggie Abraham, Chief Executive Officer of SAS Point, Inc. discusses CIP-007 R3 and R4 - patching and preventing malicious software.

Comments Due Aug. 9 on Revised SPP RE Regional Standards Process Manual

NERC posted the revised SPP RE Regional Reliability Standards Development Process Manual (Manual) for a 45-day industry review.
through 8:00 p.m. EST on 8/9/13. Get more information about the Manual review project or contact Emily Pennel (501-614-3337) with questions.

New Email Address for MISO System Events

Companies in the SPP RE region that are MISO members should submit disturbance and event information to MISOEVENTS@spp.org. All other companies in the SPP RE region should continue to submit disturbance and event information to SPPEVENTS@spp.org. Contact Debbie Currie or Alan Wahlstrom with questions.

FERC & NERC News

FERC Approves EOP-004-2 – Event Reporting, MOD-028-2, and TPL Interpretations

FERC approved interpretations of certain requirements for TPL-003-0a [System Performance Following Loss of Two or More Bulk Electric System Elements (Category C)] and TPL-004-0 [System Performance Following Extreme Events Resulting in the Loss of Two or More Bulk Electric System Elements (Category D)].

FERC approved EOP-004-2, which identifies types of reportable events and thresholds for reporting, requires responsible entities to have an operating plan for reporting applicable events to NERC and other entities (including law enforcement), and requires reporting of threshold events within a 24-hour period. This standard will be effective 1/1/14; we will discuss it at our Fall Workshop.

FERC also approved revisions to Modeling, Data, and Analysis (MOD)-028-2, finding the revision an improvement over MOD-028-1 because it clarifies the timing and frequency of Total Transfer Capability calculations needed for Available Transfer Capability calculations.

Change in Regional Entity Audit Report Templates

NERC changed the Regional Entity Audit Report templates, effective 6/14/13. The previous templates required recording findings for each NERC Standard/Requirement identified in the scope, including documentation of when the testing result was “No Finding” or the Standard/Requirement was “Not Applicable”. The revised template requires the audit team to identify in the “Findings” section only those Standards/Requirements for which a possible violation has been identified. Even if the auditor is not required to state “No Finding” or “Not Applicable”, these determinations must be supported by testing results and evidence.

New RSAWS
Visit the RSAWs page (in left column, then sort by date) for new/revised RSAWS on EOP-005-2 and EOP-006-2, PRC-006-1, VAR-002-2b, and more updates from May 2013.

**Event Analysis Process/Appendices Revised**

On 6/18/13, the NERC Operating Committee approved the revised ERO Event Analysis Process and Appendices. The list of categories (previously Appendix E) was moved into the body of the process under Step 1. There is a new category, 1g 1h, that addresses partial losses of monitoring or control at a Control Center.

To provide entities with sufficient time to prepare for Version 2, NERC extended the implementation date and reordered Category 1g and 1h. These approved documents will go into effect on 10/1/13 and will replace the current ERO Event Analysis Process Version 1 document. Contact Debbie Currie or Alan Wahlstrom with questions.

**New on NERC.com**

- NERC’s testimony from the FERC Technical Conference on reliability priorities and key initiatives and NERC’s 2013 State of Reliability report: Gerry Cauley | Thomas Burgess | Mark Rossi | Mark Lauby | Michael Moon

- **FAQ on COM-003-1** Operating Personnel Communications Protocols

- New Lessons Learned posted to Reliability Risk Management page:
  - Current Transformer Ground Relay
  - Transmission Relaying – Backup Ground Protection
  - Use Loading Resistors When Applying Solid State Contacts to High Impedance Input Devices

- Visit the Webinar Library for slides and recordings of recent webinars on:
  - PER Outreach
  - MOD-A
  - Facility Ratings Alert Recommendation – Data Submission
  - Definition of Bulk Electric System – Phase 2
  - State of Standards
  - Draft Standard COM-003-1

**NERC Events**

- 7/30, 11:00 a.m. EST - Geomagnetic Disturbance Mitigation EOP 010-1 webinar | [Registration](#)
• 7/30, 1:00 p.m. EST - MOD A, B and C webinar | Registration

• 7/31, 1:00 p.m. EST - PER and VAR webinar | Registration

• 8/7-8, Atlanta, Introduction to Cause Analysis | Agenda | Registration | Details

• 9/24-26, Atlanta - Standards and Compliance Fall Workshop | Registration | Hotel (use code ILTILTA) or call 800-241-3333 by 9/2/13 | Additional Details

• 8/6-7, Atlanta - Project 2007-11 Disturbance Monitoring Technical Conference | Registration | Details

• 11/13-14 - Grid Security Exercise | GridEx II Website

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Contact Mallory Huggins to subscribe to NERC’s weekly standards newsletter. Read the latest weekly update and other standard announcements.

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**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.

**General Manager**

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Compliance Monitoring, Event Analysis & Reliability Assessments

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Events Analysis & Reliability Assessments

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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 exploder
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) 614-3337.

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 monitors and enforces Registered Entities’ compliance with reliability standards; assesses and evaluates BES reliability; and provides technical expertise and assistance 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.