

June 30, 2017

VIA ELECTRONIC FILING

David Erickson
President and Chief Executive Officer
Alberta Electric System Operator
2500, 330 - 5 Avenue SW
Calgary, Alberta
T2P 0L4

RE: *North American Electric Reliability Corporation*

Dear Mr. Erickson:

The North American Electric Reliability Corporation hereby submits Notice of Filing of the North American Electric Reliability Corporation of Proposed Revisions to the Rules of Procedure. NERC requests, to the extent necessary, a waiver of any applicable filing requirements with respect to this filing.

Please contact the undersigned if you have any questions concerning this filing.

Respectfully submitted,

/s/ Shamai Elstein

Shamai Elstein
*Senior Counsel for the North American Electric
Reliability Corporation*

Enclosure

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**BEFORE THE
ALBERTA ELECTRIC SYSTEM OPERATOR**

**NORTH AMERICAN ELECTRIC)
RELIABILITY CORPORATION)**

**NOTICE OF FILING OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION
OF PROPOSED REVISIONS TO THE RULES OF PROCEDURE**

The North American Electric Reliability Corporation (“NERC”) hereby provides notice of specific revisions to Sections 600 and 900 of the NERC Rules of Procedure (“ROP”). The purpose of these revisions is to: (i) clarify the scope of the Personnel Certification Program, the Training and Education Program and the Continuing Education Program; and (ii) streamline and align the language of the ROP with current practices of those programs. The clean and redlined versions of proposed ROP Sections 600 and 900 are attached herein as follows:

- **Exhibit A** - Clean and Redline Versions of Sections 600 and 900 to the NERC Rules of Procedure.

For the reasons set forth in this filing, the proposed revisions as just, reasonable, not unduly discriminatory or preferential, in the public interest.

I. NOTICES AND COMMUNICATIONS

Notices and communications regarding this filing may be addressed to the following:

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II. PROPOSED REVISIONS

A. Proposed Revisions Summary

NERC proposes changes to Sections 600 and 900 of the ROP as part of its first comprehensive review to modernize and align the language of the ROP with current ERO practices. Specifically, through the proposed revisions NERC delineates the responsibilities, governance and scope of the Personnel Certification Program, the Training and Education Program and the Continuing Education Program. NERC also streamlines the ROP by eliminating detailed programmatic requirements duplicated in existing program manuals for the ERO.

B. Proposed Revisions Development

After developing the proposed revisions in collaboration with industry and Regional Entity representatives, NERC publicly posted two sets of revisions to Sections 600 and 900. The first 45-day public comment period for revisions to Section 600 were posted on May 16, 2016 through June 30, 2016. The second 45-day public comment period for revisions to Sections 600 and 900 were

posted on November 9, 2016 through December 24, 2016. NERC received four (4) sets of comments from industry stakeholders in response to the first posting and eleven (11) sets of comments from industry stakeholders in response to the second posting.

As further discussed below, the commenters noted the following regarding the proposed revisions:

- (1) address whether the removal of specific requirements for implementing the Personnel Certification Program and the Continuing Education Program from the ROP deprived stakeholders of due process;
- (2) determine the appropriate frequency for reviewing the Personal Certification and Governance (“PCGC”) manual;
- (3) identify the governance structure of the NERC Continuing Education Program;
- (4) discern the relationship between Reliability Standards PER-003-1 (Operating Personnel Credentials), and PER-005-2 (Operations Personnel Training) and the Continuing Education Program (Section 902); and,
- (5) re-examine the need for a non-discriminatory clause.

Comments were reviewed and are attached herein as **Exhibit C**. NERC, with input from Regional Entity representatives, addressed each comment. NERC posted a further revised draft of the ROP changes, incorporating comments received, and accompanying materials on the NERC website on April 26, 2017. This posting was completed at least (15) fifteen days prior to consideration of these revisions by the NERC Board of Trustees (“Board”), as contemplated in NERC’s process for proposed revisions to the ROP. The posting included a document indicating

how each comment received was considered.¹ On May 11, 2017 the NERC Board approved the proposed ROP revisions.

C. Proposed Revisions to Section 600

The proposed changes to ROP Section 600 relate to the scope, structure, and responsibilities of the Personnel Certification Program. NERC deletes or cross-references descriptions of examination requirements, dispute resolution procedures, and maintenance of certification credentials in the Personnel Certification Program manual. NERC also clarifies the PCGC's obligations to the public and employers of certified personnel. The following are the specific proposed revisions to Section 600 (*see Exhibit A*).

1. Section 601

In Section 601, NERC clarifies that the purpose of the Personnel Certification Program is to ensure that Bulk-Power System personnel, namely system operators, are qualified to operate the Bulk-Power System. Under the current program, NERC administers an examination and awards the credential to system operators who pass the examination to obtain the essential knowledge relating to NERC Reliability Standards and principles for Bulk-Power System operations. NERC highlights in the ROP that its Reliability Standards specify which personnel require certification pursuant to the NERC Personnel Certification Program.

2. Sections 602 and 603

NERC proposes to consolidate the contents of Sections 602 and 603 in Section 602, leaving

¹ NERC, *Board of Trustees Package*, Agenda Item 8a (Attachment 2 – Consideration of Comments), (NERC Rules of Procedure Amendment – Proposed Revisions to Rules of Procedure Sections 600 and 900), (May 11, 2017), available at http://www.nerc.com/gov/bot/Agenda%20highlights%20and%20Mintues%202013/Board_Meeting_May_11_2017_Agenda_Package_v2.pdf.

Section 603 as a placeholder. Section 602 contains the governance authority and structure of the PCGC committee. Section 603 contains the procedural requirements for obtaining the system operator certification. In the revised Section 602, NERC deletes the governance authority and structure of the PCGC committee because this information is addressed verbatim in the PCGC charter. The PCGC charter is reviewed annually for updates and revisions are approved by the NERC Board. NERC also specifies that the PCGC must develop a certification program manual and outlines the mandatory elements of this manual. NERC proposes to eliminate programmatic detail for the manual from the ROP, as they are duplicated verbatim in the certification program manual. The certification program manual, like the PCGC charter, is reviewed regularly for updates. Revisions to the certification program manual are presented to the NERC Board. This streamlining allows program participants and NERC staff to only consult one resource for certification requirements.

Commentators suggested identifying a specific frequency or timeframe for reviewing and updating the Personnel Certification Program manual. NERC proposes to allow the PCGC to retain flexibility to review and update the manual as necessary, rather than constrain the committee to a specific frequency. This strikes an appropriate balance of flexibility, in case the manual requires more frequent revisions, without committing to a specific frequency.

In Section 603, NERC proposes to delete the entire section on “Examination and Maintenance of NERC System Operator Certification Credential” because it contains procedural requirements for obtaining the system operator certification, which are duplicated verbatim in the Personnel Certification Program manual. Instead, in the revised Section 602, NERC notes that the manual must include “requirements for administering the system operation examinations,” “requirements for exam eligibility,” “requirements for awarding the Certification Credential,” and

“requirements for Certification Credential maintenance.” Section 603 shall remain blank with a placeholder.

3. Sections 604 and 605

In Sections 604 and 605, NERC proposes to delete the programmatic detail regarding the dispute resolution process as well as disciplinary action. Instead, NERC proposes to cross-reference the same requirements as duplicated in the Personnel Certification Program manual. The certification program manual is reviewed regularly for updates and revisions are presented to the Board of Trustees.

Commenters questioned whether the removal of these requirements from the ROP would deprive stakeholders of the public notice and comment opportunities mandated when there are changes to the ROP. NERC maintains that Section 215 of the US Federal Power Act (“FPA”), the ROP and NERC Bylaws do not require NERC to provide a separate, formal public notice and opportunity to comment on changes to the Personnel Certification Program manual. Section 215 of the FPA requires Federal Energy Regulatory Commission approval of (1) new or revised Reliability Standards, (2) transmission organizations that operate transmission facilities, (3) Reliability Standard violations, (4) new or revised delegation of functions to a regional entity, and, (5) new ERO rules and rule changes. Under Section 215, due process requirements apply to (1) the development of Reliability Standards, (2) changes to ERO rules and (3) penalties for violations of Reliability Standards.

NERC’s Bylaws require the ERO to develop and implement rules, as in the judgment of the board, necessary or appropriate to carry out the purposes of the Corporation and its operations, including Rules of Procedure relating to personnel certification. The Bylaws further provide that the PCGC “shall have autonomy in developing and implementing system operation certification

eligibility requirements, the development, administration, and scoring of the system operator assessment instruments, and operational processes” for the program. There is no requirement for notice and public comment for changes to Personnel Certification Program documents such as the manual. Even with this autonomy, the PCGC remains accountable to the NERC Board and to applicants of the program. Certification program manual changes will continue to be reported to the NERC Board. Furthermore, while changes to requirements in the manual do not require public notice and opportunity to comment, stakeholders are still able to provide input in developing these changes. The PCGC is comprised of industry representatives who develop changes to the manual and often meet several times a year to approve changes at public meetings.

4. Section 606

In Section 606, NERC clarifies that it is the PCGC’s role to develop policies and procedures to protect the integrity of the certification exam administered under the Personnel Certification Program. NERC also outlines how the PCGC periodically conducts reviews and studies to examine whether exams administered to candidates assess relevant knowledge and skills.

5. Section 607

In Section 607, NERC proposes ministerial changes to the types of information maintained and published about the Personnel Certification Program.

6. Section 608

In Section 608, NERC proposes to remove the requirement to include a statement of non-discrimination in program announcements. The PCGC issues the Certification Credential to any applicant who passes the examination and who has no conviction of any felony or misdemeanor directly related to his or her duties as a system operator. In its administration of the certification

exam, the PCGC does not capture any protected class information. The only fields captured in the application relate to the geographic location and nature of the applicant's current job. Furthermore, NERC retains no records that could be used as bases for discriminating against certain groups of applicants when awarding credentials. As such, the elimination of the non-discriminatory clause is appropriate and further streamlines the certification program by removing superfluous language that does not redress a particular procedural gap or provide guidance on the implementation of the program.

7. Section 609

NERC proposes to rename Section 609 to clarify the responsibilities of the PCGC to employers of personnel certified pursuant to the Personnel Certification Program. NERC also proposes to remove language noting that the PCGC must demonstrate that the Credential applies to any given specific set of daily occupational or professional duties. The exams administered pursuant to the Personnel Certification Program are solely designed to measure essential knowledge relating to NERC Reliability Standards and general principles of the Bulk-Power System. In addition, NERC streamlines other language in the section.

D. Proposed Revisions to Section 900

In Section 900, NERC updates and clarifies the scope and governance structure of the Training and Continuing Education Programs (*see Exhibit A*).

1. Section 901

In Section 901, NERC streamlines and updates the purpose of the Training and Education Program. Specifically, the purpose of the program is to oversee the coordination and delivery of training materials for both ERO Enterprise staff and industry participants. Training materials

developed under this program will address delegation-related activities and other ERO functional program requirements. The program is not currently structured to directly deliver training to ERO Enterprise staff or industry stakeholders. Functional program staff, outside of the Training and Education Program, are responsible for delivering training to staff and industry stakeholders. They are also responsible for assessing the effectiveness of their training.

2. Section 902

In Section 902, NERC outlines the governance structure of the Continuing Education Program. Specifically, NERC identifies the governing body as the Personnel Subcommittee reporting to the NERC Operating Committee. The Personnel Subcommittee is responsible for developing and updating a manual. Similar to Section 600, NERC lists the required elements of the Continuing Education Program manual.

Certain commenters indicated that the development of Reliability Standards PER-003-1 (Operating Personnel Credentials) and PER-005-2 (Operations Personnel Training) is duplicative of Section 900. NERC notes that the purpose of Reliability Standard PER-003-1 is to require that Reliability Coordinators, Balancing Authorities and Transmission Operators get certified through the NERC System Operator Certification Program. The purpose of PER-005-2 is to require registered entities to develop training programs. As previously stated, the Training and Education Program does not directly deliver training to ERO Enterprise staff or industry. Registered entities are responsible for delivering their own training. To receive credit under the Continuing Education Program, a given course must be an approved learning activity and offered by an approved Continuing Education Provider. NERC clarifies that not all courses offered by registered entities pursuant to these training programs will qualify as learning activities nor will they all be offered by an approved Provider. Registered entities, including Reliability Coordinators, Balancing

Authorities and Transmission Operators, may offer courses and train on topics relevant to various personnel, but they will not all fall under the umbrella of the Continuing Education Program.

Respectfully submitted,

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Date: June 30, 2017

EXHIBITS A – B