

May 2, 2017

VIA ELECTRONIC FILING

Ms. Katie Mitchell
Chief Clerk
New Brunswick Energy and Utilities Board
P.O. Box 5001
15 Market Square, Suite 1400
Saint John, NB
E2L 4Y9

RE: Errata to Notice of Filing of the North American Electric Reliability Corporation of Proposed Emergency Operations Reliability Standards

Dear Ms. Mitchell:

On April 3, 2017, the North American Electric Reliability Corporation (“NERC”) filed a Notice of Filing of proposed Emergency Operations (“EOP”) Reliability Standards . NERC submits this errata filing to correct an inadvertent exhibit error that has come to NERC’s attention since the original submission. NERC hereby submits a replacement for Exhibit C, contained herein as Attachment 1.

Respectfully submitted,

/s/ Nina H. Jenkins-Johnston

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Attachment 1

Reliability Standards Criteria

The discussion below explains how the proposed Reliability Standard has met or exceeded the Reliability Standards criteria.

1. Proposed Reliability Standards must be designed to achieve a specified reliability goal and must contain a technically sound means to achieve that goal.

The proposed Reliability Standards achieve specific reliability goals. Proposed Reliability Standard EOP-004-4 – Event Reporting, improves the reliability of the Bulk Electric System (“BES”) by requiring the reporting of events by Responsible Entities. Proposed Reliability Standard EOP-005-3 – System Restoration from Blackstart Resources, ensure plans, Facilities, and personnel are prepared to enable System restoration from Blackstart Resources to ensure reliability is maintained during restoration and priority is placed on restoring the Interconnection. Proposed Reliability Standard EOP-006-3 – System Restoration Coordination, ensures plans are established and personnel are prepared to enable effective coordination of the System restoration process to ensure reliability is maintained during restoration and priority is placed on restoring the Interconnection. Proposed Reliability Standard EOP-008-2 – Loss of Control Center Functionality, ensures continued reliable operations of the BES in the event that a control center becomes inoperable.

The proposed Reliability Standards also satisfy an outstanding FERC directive from Order No. 749.

2. Proposed Reliability Standards must be applicable only to users, owners and operators of the bulk power system, and must be clear and unambiguous as to what is required and who is required to comply.

The proposed Reliability Standards are clear and unambiguous as to what is required and who is required to comply. Proposed Reliability Standard EOP-004-4, applies to Reliability Coordinators, Balancing Authorities, Transmission Owners, Transmission Operators, Generator Owners, Generator Operators, and Distribution Providers. Proposed Reliability Standard EOP-005-3, applies to Transmission Operators, Generator Operators, Transmission Owners identified in the Transmission Operators restoration plan and Distribution Providers identified in the Transmission Operators restoration plan. Proposed Reliability Standard EOP-006-3, applies to Reliability Coordinators. Proposed Reliability Standard EOP-008-2, applies to Reliability Coordinators, Transmission Operators, and Balancing Authorities. The proposed standards clearly articulate the actions that each entity must take to comply.

3. A proposed Reliability Standard must include clear and understandable consequences and a range of penalties (monetary and/or non-monetary) for a violation.

The Violation Risk Factors (“VRFs”) and Violation Severity Levels (“VSLs”) for each of the proposed Reliability Standards comport with NERC and FERC guidelines related to their assignment, as discussed further in **Exhibit E**. The assignment of the severity level for each VSL is consistent with the corresponding Requirement and the VSLs should ensure uniformity and consistency in the determination of penalties. The VSLs do not use any ambiguous terminology, thereby supporting uniformity and consistency in the determination of similar penalties for similar violations. For these reasons, the proposed Reliability Standards include clear and understandable consequences.

4. A proposed Reliability Standard must identify clear and objective criterion or measure for compliance, so that it can be enforced in a consistent and non-preferential manner.

The proposed Reliability Standards contain Measures that support each Requirement by clearly identifying what is required to demonstrate compliance. These Measures help provide clarity regarding the manner in which the Requirements will be enforced, and help ensure that the Requirements will be enforced in a clear, consistent, and non-preferential manner and without prejudice to any party.

5. Proposed Reliability Standards should achieve a reliability goal effectively and efficiently — but do not necessarily have to reflect “best practices” without regard to implementation cost or historical regional infrastructure design.

The proposed Reliability Standards achieve the reliability goals effectively and efficiently. Consistent with a FERC directive in Order No. 749, the proposed Reliability Standards improve upon the prior versions of the standards by: (i) ensuring strong planning, reporting, communication, and coordination across the Functional Entities; (ii) streamlining standards; and (iii) applying Paragraph 81 criteria, while making the standards more-Results-based.

- 6. Proposed Reliability Standards cannot be “lowest common denominator,” i.e., cannot reflect a compromise that does not adequately protect Bulk-Power System reliability. Proposed Reliability Standards can consider costs to implement for smaller entities, but not at consequences of less than excellence in operating system reliability.**

The proposed Reliability Standards do not reflect a “lowest common denominator” approach. To the contrary, the revisions reflected in the proposed Standards provide significant benefits for the reliability of the Bulk-Power System. The requirements of the proposed Reliability Standards clarify the methodology requirements for Emergency operations, including the communication and coordination amongst reporting entities.

- 7. Proposed Reliability Standards must be designed to apply throughout North America to the maximum extent achievable with a single Reliability Standard while not favoring one geographic area or regional model. It should take into account regional variations in the organization and corporate structures of transmission owners and operators, variations in generation fuel type and ownership patterns, and regional variations in market design if these affect the proposed Reliability Standard.**

The proposed Reliability Standards apply throughout North America and do not favor one geographic area or regional model.

- 8. Proposed Reliability Standards should cause no undue negative effect on competition or restriction of the grid beyond any restriction necessary for reliability.**

The proposed Reliability Standards have no undue negative effect on competition. The proposed Reliability Standards require the same performance by each applicable entity. The proposed standards do not unreasonably restrict the available transmission capability or limit use of the Bulk-Power System in a preferential manner.

9. The implementation time for the proposed Reliability Standard is reasonable.

The proposed effective dates for the proposed Reliability Standards are just and reasonable and appropriately balance the urgency in the need to implement the proposed Reliability Standards against the reasonableness of the time allowed for those who must comply to develop necessary procedures, software, facilities, staffing or other relevant capability. NERC proposes an effective date for the proposed Reliability Standards that is the first day of the first calendar quarter that is twelve (12) months after the effective date of regulatory approval.

The proposed implementation periods are designed to allow sufficient time for the applicable entities to make any changes in their internal process necessary to implement proposed standards. The proposed effective dates are explained in the proposed Implementation Plans, attached as **Exhibit B**.

10. The Reliability Standard was developed in an open and fair manner and in accordance with the Reliability Standard development process.

The proposed Reliability Standards were developed in accordance with NERC's ANSI-accredited processes for developing and approving Reliability Standards.¹ **Exhibit G** includes a summary of the development proceedings, and details the processes followed to develop the proposed Reliability Standards. These processes included, among other things, multiple comment periods, pre-ballot review periods, and balloting periods. Additionally, all meetings of the drafting team were properly noticed and open to the public. The initial and additional ballots achieved a quorum and exceeded the required ballot pool approval levels.

¹ See NERC Rules of Procedure, Section 300 (Reliability Standards Development) and Appendix 3A (Standard Processes Manual).

11. NERC must explain any balancing of vital public interests in the development of proposed Reliability Standards.

NERC has identified no competing public interests regarding the request for approval of the proposed Reliability Standards. No comments were received that indicated the proposed Reliability Standards conflict with other vital public interests.

12. Proposed Reliability Standards must consider any other appropriate factors.

No other negative factors relevant to whether the proposed Reliability Standards are just and reasonable were identified.