Unofficial Comment Form

NERC CEAP regarding Project 2007-11
Disturbance Monitoring

Please **DO NOT** use this form to submit comments. Please use the [electronic form](https://www.nerc.net/nercsurvey/Survey.aspx?s=b60a8acf59b345598fbc44da6d3af64a) to submit comments for this posting of the “pilot” of Phase Two of the Cost Effective Analysis Process (CEAP) for Project 2007-11 – Disturbance Monitoring. The posting of the SAR for Project 2007-11 has been completed, therefore Phase One (a cost impact assessment) of the CEAP is unnecessary. The electronic comment form must be **completed by 8 p.m. ET Friday, Feb. 7, 2014.**

[Cost Effective Analysis Process Project Page](http://www.nerc.com/pa/Stand/Pages/Cost-Effective-Analysis-Process-CEAP-for-NERC-ERO-Standards.aspx)

[Project 2007-11 Disturbance Monitoring Project Page](http://www.nerc.com/pa/Stand/Pages/Project_2007-11_Disturbance_Monitoring.aspx)

If you have any questions, please contact Steve Crutchfield or by telephone at (609) 651-9455.

**Instructions:**

The NERC Standards Drafting Team for this project, in conjunction with Standards Committee Process Subcommittee Subgroup (CEAP Team) is providing this form for industry participants to offer their comments on the proposed PRC-002-2 – Disturbance Monitoring and Reporting Requirements .

For each question that you provide a comment, please provide specific suggestions that would eliminate or minimize any concerns you have with the item in question. A comment or response to every question is not required. Respondents should identify their responses they believe to be CEII, market sensitive, or otherwise confidential. In all cases the responses to the CEAP will be confidential. The CEAP Team working under the authority of the SCPS will aggregate and present the responses in a manner that individual confidentiality will be maintained.

Please note that the official comment form ***does not*** retain formatting (even if it appears to transfer formatting when you copy from the unofficial Word version of the form into the official electronic comment form). If you enter extra carriage returns, bullets, automated numbering, symbols, bolding, italics, or any other formatting, that formatting will not be retained when you submit your comments. Therefore, if you would like to separate portions of your comment by idea, e.g., the CEAP team requests that each distinct idea in the same comment block be prefaced with (1), (2), etc., instead of using formatting such as extra carriage returns, bullets, automated numbering, bolding, or italics.

**Background Information on CEAP**

In response to concerns expressed by stakeholders and regulators in both the U.S. and Canada, NERC has developed a CEAP. The NERC CEAP concept of cost consideration and effectiveness is being piloted in the development of new and revised standards to afford the industry with opportunities to offer alternative methods to achieve the reliability objective of draft standards which may result in less implementation costs and resource expenditures.

The NERC CEAP introduces cost consideration to the standards development process in two phases. These two phases will be performed during the comment periods and both involve posing some additional voluntary questions to industry. The first phase of the CEAP will be implemented during the SAR stage to determine cost impact and identify “order of magnitude” or potentially egregious costs, to determine if a proposed standard will meet or exceed an adequate level of reliability, and what potential risks are being mitigated. This information will be used to help determine if a project should move forward to the standard development and drafting stage or be remanded back to the requestor. This, the second phase is affording the industry the opportunity to offer more cost efficient solutions that may be equally effective to achieving the reliability intent of the draft standard. Upon completion of the CEAP a report will be developed.

This report will be posted at the time the standard is posted for its final ballot. The report will present the data collected in a manner which will provide the industry with representative cost implementation and effectiveness information to allow a more informed choice during balloting. Some entities are unsure of implementation costs currently and this effort will result in an opportunity to share information, promote consensus, and alleviate concerns over cost and effectiveness. The published report will be an aggregate of the responses received and contain no Critical Energy Infrastructure Information (CEII) or market sensitive information, and only contain representative costs provided by the industry.

The application of both phases of the NERC CEAP will be to all new NERC standards and only the second, cost effectiveness phase, is envisioned to be applied to revised, urgent action or expedited standards. Existing standards being revised have already been deemed to be required to meet an adequate level of reliability, therefore a cost impact assessment Phase One of the CEAP is unnecessary.

**PRC-002-2 – Phase Two Cost Effective Analysis (CEA)**

As part of the pilot of the NERC CEAP, NERC is proposing to conduct a CEA to provide information about cost impacts (e.g., implementation, maintenance, and ongoing compliance resource requirements) of draft reliability standards and their relative effectiveness which will allow the industry to evaluate and propose alternative approaches for achieving the reliability objectives of the standard. Phase Two will typically be conducted at the time of the first combined formal comment period and ballot. The CEA will involve two sets of survey questions which will be asked concurrently. The first set relates to technical feasibility and effectiveness of the proposed requirements as well as soliciting possible more cost effective alternatives to achieve the reliability objectives. The second set of questions will solicit cost impacts (e.g., implementation, maintenance, and ongoing compliance resource requirements), and any related implementation information.

**Reporting**

All information provided during the CIA and CEA phases of the CEAP will be consolidated and evaluated to produce a CEAP report. The CEAP report prepared by the Standards Committee Process Subcommittee Subgroup will be provided to the NERC Standards Committee (SC) and to the Standard Drafting Team (SDT) for informational purposes.

All available resources will be utilized effectively and efficiently to produce a CEAP report in a timely manner that does not create unnecessary delays to the standards development process. It must be emphasized that the purpose of the CEAP is not to provide impediments to the NERC standard development process, but rather to inform stakeholders and decision makers of proposed industry cost impact and provide an opportunity for suggestions of alternate methods to achieve equally effective reliability goals and objectives that may result in less costly implementation. The final report is not intended to be analytical in nature but to promote better judgment and decision making.

**Technical Survey and Cost of Implementation Questions**

Collection of Sequence of Events data:

T-1. How would your company capture Sequence of Events data for PRC-002-2?

 T-1a. Type of equipment or whatever way your company would capture this data:

 Cost to purchase:

 Cost to install:

 Cost of ongoing maintenance:

Collection of Fault data:

T-2. How would your company capture Fault data for PRC-002-2?

 T-2a. Type of equipment or whatever way your company would capture this data (for example Fault recorders, microprocessor based relays):

 Cost to purchase:

 Cost to install:

 Cost of ongoing maintenance:

T-3. How would your company capture Dynamic Disturbance data for PRC-002-2?

 T-3a. Type of equipment or whatever way your company would capture this data:

 Cost to purchase:

 Cost to install:

 Cost of ongoing maintenance:

T-4. What is an approximation, in percent, of the disturbance monitoring equipment already installed, that meets the requirements of PRC-002-2 for:

 T-4a. Sequence of Events Recording:

 T-4b. Fault Recording:

 T-4c. Dynamic Disturbance Recording:

T-5. What is the cost of purchasing and installing the equipment to capture disturbance moitoring data for your company for:

 T-5a. Sequence of Events Recording:

 T-5b. Fault Recording:

 T-5c. Dynamic Disturbance Recording:

**Additional Cost Questions**

1. Please answer the following regarding the estimated costs and benefits of each of the proposed requirements:
	1. What is the ongoing long term cost impact (after implementation) of complying with the requirements in terms of equivalent full time employees (EFTE)?

Comments:

* 1. What are the resource benefits (labor, materials, administrative) of implementing these requirements (e.g. being able to effectively and expeditiously analyze disturbances)?

Comments:

1. Are there alternative method(s) or existing reliability standard requirement(s) not identified in the draft standard which may achieve the reliability objective of the standard that may result in less cost impact (implementation, maintenance, and ongoing compliance resource requirements)? If so what? Please provide as much additional supporting evidence as possible.

[ ]  Yes

[ ]  No

Comments:

1. How long would it take your organization to implement full compliance to the standard as written? What would affect the implementation (i.e. outage scheduling, availability of materials, human resources, etc.)?

Comments:

1. What NERC Functional Model registered entity or group do you will believe will benefit from this standard? (i.e. Balancing Authorities, Load-customers, etc.) and is there a value –either cost or socio-economic impact associated with that benefit? Does a NERC Functional Model registered entity or group other than the one you identified bear initial or ongoing costs related to this standard (bear a cost without receiving a benefit)?

Comments:

1. Do you have any other comments? If so, please provide suggested changes and rationale.

Comments: