

Implementation Plan

Project 2013-02 – Paragraph 81

Requested Approvals

- None

Requested Retirements

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|----------------------------|---------------------------|--------------------|
| • BAL-005-0.2b R2 | • CIP-003-4 R4.2 | • FAC-011-2 R5 |
| • CIP-001-2a R4 | • CIP-005-3a R2.6 | • FAC-013-2 R3 |
| • CIP-003-3 R1.2 | • CIP-005-4a R2.6 | • INT-007-1 R1.2 |
| • CIP-003-3 R3 | • CIP-007-3 R7.3 | • IRO-016-1 R2 |
| • CIP-003-3 R3.1 | • CIP-007-4 R7.3 | • NUC-001-2 R9.1 |
| • CIP-003-3 R3.2 | • EOP-004-1 R1 | • NUC-001-2 R9.1.1 |
| • CIP-003-3 R3.3 | • EOP-005-2 R3.1 | • NUC-001-2 R9.1.2 |
| • CIP-003-3 R4.2 | • FAC-002-1 R2 | • NUC-001-2 R9.1.3 |
| • CIP-003-4 R1.2 | • FAC-008-1 R2 | • NUC-001-2 R9.1.4 |
| • CIP-003-4 R3 | • FAC-008-1 R3 | • PRC-010-0 R2 |
| • CIP-003-4 R3.1 | • FAC-008-3 R4 | • PRC-022-1 R2 |
| • CIP-003-4 R3.2 | • FAC-008-3 R5 | • VAR-001-2 R5 |
| • CIP-003-4 R3.3 | • FAC-010-2.1 R5 | |

Note that when these Requirements are retired, the version numbers of the standards will NOT be incremented, but the retired Requirements and associated elements will be clearly marked as retired. After evaluating the options and consulting with the Standards Committee and Standards Committee Process Subcommittee, the P81 drafting team determined that this was the most practical approach. Incrementing the version numbers of each standard is impractical because, in some cases, a subsequent version has already been developed. In addition, incrementing the version would require renumbering Requirements where a retired Requirement created a gap in numbering, and this creates an undesirable administrative burden for entities using certain systems to manage their compliance programs.

Prerequisite Approvals

- None

Revisions to Defined Terms in the NERC Glossary

- None

Background

On September 30, 2011, the North American Electric Reliability Corporation (NERC) filed a petition with the Federal Energy Regulatory Commission (FERC) requesting approval of its proposal to make informational filings in a “Find, Fix, Track and Report” (FFT) spreadsheet of lesser-risk, remediated possible violations of Reliability Standards. On March 15, 2012, the FERC issued an order conditionally accepting NERC’s FFT proposal. In paragraph 81 (P81) of that order, the FERC stated:

The Commission notes that NERC’s FFT initiative is predicated on the view that many violations of requirements currently included in Reliability Standards pose lesser risk to the Bulk-Power System. If so, some current requirements likely provide little protection for Bulk-Power System reliability or may be redundant. The Commission is interested in obtaining views on whether such requirements could be removed from the Reliability Standards with little effect on reliability and an increase in efficiency of the ERO compliance program. If NERC believes that specific Reliability Standards or specific requirements within certain Standards should be revised or removed, we invite NERC to make specific proposals to the Commission identifying the Standards or requirements and setting forth in detail the technical basis for its belief. In addition, or in the alternative, we invite NERC, the Regional Entities and other interested entities to propose appropriate mechanisms to identify and remove from the Commission-approved Reliability Standards unnecessary or redundant requirements. We will not impose a deadline on when these comments should be submitted, but ask that to the extent such comments are submitted NERC, the Regional Entities, and interested entities coordinate to submit their respective comments concurrently. North American Electric Reliability Corporation, 138 FERC ¶ 61,193 at p 81 (March 15, 2012) (“P81”).

Consistent with P81, a draft Standards Authorization Request (SAR) was drafted to set forth criteria and a process to identify Reliability Standard requirements that either: (a) provide little protection to the Bulk Electric System; (b) are unnecessary or (c) are redundant; and, thereafter, to have NERC file to retire the identified Reliability Standard requirements with ~~FERC to have them removed from the FERC-approved list of Reliability Standards~~ appropriate governmental authorities.

Standards Process Input Group (SPIG)

In addition to addressing P81, the ~~draft~~ SAR was drafted consistent with what the SPIG developed as Recommendation No. 4, as set forth in NERC’s Recommendations to Improve The Standards Development Process on page 12 (April 2012), which states:

Recommendation 4: Standards Product Issues — The NERC board is encouraged to require that the standards development process address: . . . The retirement of standards no longer needed to meet an adequate level of reliability.

Collaborative Process

The draft SAR and a suggested list of Reliability Standard requirements embedded in the SAR for consideration in the Initial Phase was the product of collaborative discussions among the following entities and their members: Edison Electric Institute, American Public Power Association, National Rural Electric Cooperative Association, Large Public Power Council, Electricity Consumers Resource Council, The Electric Power Supply Association, Transmission Access Policy Study Group, the North American Electric Reliability Corporation, and the Regional Entity Management Group. The draft SAR was posted for comment, which were due September 4, 2012. The P81 Standards Drafting Team reviewed the comments and finalized the SAR and the proposed list of Reliability Standard requirements for retirement.

Applicable Entities

- Balancing Authority
- Distribution Provider
- Generator Operator
- Generator Owner
- Interchange Authority
- Load Serving Entity
- NERC
- Planning Authority
- Planning Coordinator
- Purchasing-Selling Entity
- Regional Entity
- Regional Reliability Organization
- Reliability Coordinator
- Transmission Service Provider
- Transmission Operator
- Transmission Owner
- Transmission Planner

Effective Date of Retirements

All of the Requirements will be retired on the day of approval by applicable regulatory authorities, or in those jurisdictions where regulatory approval is not required, the first day of the first calendar quarter ~~after~~ ~~approved~~ by the NERC Board of Trustees, or as otherwise made effective pursuant to the laws applicable to such ERO governmental authorities.

Note that no complete standard is being proposed for retirement and all of the other Requirements in each of the affected standards will remain in continuous effect ~~until such time that the entire standard may be retired.~~