



Nova Scotia Utility and Review Board

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October 4, 2013

By email: stacey.tyrewala@nerc.net

Stacey Tyrewala
Attorney for North American Electric
Reliability Corporation
1325 G Street, N.W. Suite 600
Washington, DC 20005

Dear Ms. Tyrewala:

North American Electric Reliability Corporation - Quarterly Application for Approval of Reliability Standards – 2nd Quarter, 2013 - NERC-R-13(2) / M05862

The Board has reviewed the following North American Electric Reliability Corporation ("NERC") filing:

- 2nd Quarter 2013 dated August 28, 2013 (M05862)

This matter was reviewed by Board member Roberta J. Clarke, Q.C.

The Board understands that NERC is requesting approval of four reliability standards as noted in the attached Appendix "A" and updated Glossary of Terms. The reliability standards for which approval is being sought have gone through NERC's internal approval process and are also approved by the Federal Energy Regulatory Commission of the USA.

The Board requested comments from the Northeast Power Coordinating Council, Inc. ("NPCC") and Nova Scotia Power Inc. ("NSPI"). No comments were received from NPCC.

In its October 1, 2013 letter to the Board, NSPI noted that the four standards referenced Violation Severity Levels ("VSLs") and Violation Risk Factors ("VRFs"). In its July 20, 2011 decision, the Board stated:

[33] Upon reviewing the VRFs and VSLs filed by NERC, the Board recognizes that they provide guidance in the determination of potential consequences arising from non-compliance with the Standards and Criteria. The Board accepts the VRFs and VSLs as guidance in the event the Board is required to review matters of compliance in future;

however, the Board agrees with NSPI that formal approval of the VRFs and VSLs is not required at this time.

NSPI requested, and the Board agrees, that approval of the four standards not extend to approval of the VRFs and VSLs. NSPI otherwise supported approval of the four standards.

With regard to the updated definitions, NSPI said:

Based on NS Power's review of the Glossary of Terms, it appears that the three updated Definitions are:

1. Bulk Electric System (Exhibit B(3), page 13);
2. Reliability Standard (Exhibit B(3), page 58); and
3. Reliable Operation (Exhibit B(3), page 58).

If NS Power has misunderstood which Definitions within the Glossary of Terms have changed, it trusts this will be clarified by NERC. It would be of assistance to NS Power, and perhaps the UARB, if in future filings for which approval an updated Glossary of Terms is sought, that NERC specify within its Application, which Definitions are updated and require approval.

The Board agrees it would be helpful if any updated definitions were listed in the application and requests NERC do so in future filings.

Additionally, NSPI said:

With respect to NERC's request for approval of the updated Definitions within the Glossary of Terms, consistent with the UARB's letter to NERC of June 24, 2013, and NS Power's correspondence of September 27, 2013 to the UARB, NS Power is not in a position to provide its recommendation with respect to the BES definition at this time. NS Power recommends the Board approve the Reliability Standard and Reliable Operation definitions.

The Board agrees with the NSPI recommendation.

The Board, after review of the application and related submissions, approves the requested reliability standards which are listed in Attachment "A" and updated Glossary of Terms with the following exceptions:

1. References to VSLs and VRFs in the subject standards shall be excluded from this approval and are considered for guidance only; and
2. The revised definition of Bulk Electric System in the Glossary of Terms is not approved at this time.

Yours truly,

A handwritten signature in black ink, appearing to read "Doreen Friis". The signature is written in a cursive style with a large initial 'D'.

Doreen Friis
Regulatory Affairs Officer/Clerk

c: Edward A. Schwerdt, NPCC
Ric Cameron, NERC
Holly A. Hawkins, NERC
Charles A. Berardesco, NERC
David Landrigan, NSPI
Nicole Godbout, NSPI
Eric Ferguson, NSPI

ATTACHMENT 'A'

LIST OF STANDARDS REQUESTED FOR APPROVAL

Reliability Standard	Description	NERC Effective Date	Application Date
Emergency Preparedness and Operations (EOP) Standards			
EOP-004-2*	Event Reporting	01/01/2014	08/28/2013
Transmission Planning (TPL) Standards			
TPL-003-0b	System Performance Following Loss of Two or More BES Elements	06/20/2013	08/28/2013
TPL-004-0a	System Performance Following Extreme BES Events	06/20/2013	08/28/2013
Voltage and Reactive (VAR) Standards			
VAR-002-2b	Generator Operation for Maintaining Network Voltage Schedules	07/01/2013	08/28/2013

Notes:

- 1) Items marked with "*" were not mandatorily effective at the time of filing with the Board, but had been approved by FERC with the future mandatory effective date indicated.