BEFORE THE NOVA SCOTIA UTILITIES AND REVIEW BOARD THE PROVINCE OF NOVA SCOTIA

NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

RM06-16-000

NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION RELIABILITY STANDARDS DEVELOPMENT PLAN 2013-2015 INFORMATIONAL FILING PURSUANT TO SECTION 310 OF THE NERC RULES OF PROCEDURE

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January 11, 2013

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ATTACHMENTS

EXHIBIT A: Reliability Standards Development Plan: 2013–2015

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I. <u>INTRODUCTION</u>

The North American Electric Reliability Corporation ("NERC") hereby submits for informational purposes its Reliability Standards Development Plan. The *Reliability Standards Development Plan: 2013-2015* ("2013 Development Plan"), is included as **Exhibit A**. The NERC Board of Trustees approved the 2013 Development Plan on December 19, 2012.

II. NOTICES AND COMMUNICATIONS

Notices and communications with respect to this filing may be addressed to the

following:

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III. <u>BACKGROUND</u>

In 2006, NERC developed an initial version of the plan for Reliability Standards

development entitled the Reliability Standards Development Plan: 2007-2009. NERC has since

updated the plan annually, and the 2013–2015 version of the plan is presented in this filing. The

2013 Development Plan is intended to:

- 1. Serve as a management tool to guide and coordinate the development of Reliability Standards and provide benchmarks for assessing progress;
- 2. Serve as a communications tool for coordinating standards development work with applicable governmental agencies in the United States and Canada and for engaging stakeholders in Reliability Standards development activities; and
- 3. Provide a basis for developing annual plans and budgets for the NERC Reliability Standards program.

Consistent with previous versions, the 2013 Development Plan is filed for informational purposes. Therefore, no specific action is requested at this time. The 2013 Development Plan builds upon the foundation established by previous plans and identifies the current plans and priorities for development and modification of NERC Reliability Standards in the immediate three-year time horizon.

The 2013 Development Plan differs from prior development plans by outlining three major areas of work:

- 1. Resolution of Federal Energy Regulatory Commission ("FERC") directives;
- 2. Completion of five-year reviews for Reliability Standards not previously reviewed; and
- 3. Completion of existing projects, facilitated by a review of all Reliability Standards against the Paragraph 81¹ and Results-Based Reliability Standards criteria,² which will provide a framework for NERC to address emerging issues on a more timely basis.

Prior to the determination of this approach and as with the Reliability Standards

Development Plan 2011-2013 and 2012-2014 Informational Filings, NERC requested industry

input on potential future Reliability Standards development projects, and based on this input,

included all projects in the work plan, with the exception of projects that were identified as

candidates for dismissal³ or that require further evaluation by NERC's Reliability Issues Steering

Committee (RISC)⁴ to determine if a Reliability Standard is the appropriate solution.

NERC anticipates the Reliability Standards development work outlined in the 2013

Development Plan will be dynamic, and will be updated periodically as projects are completed or as new needs are identified and projects considered. NERC also recognizes that new priorities may require flexibility in work planning to ensure the activities are given appropriate resources and priority.

¹ The Paragraph 81 project was initiated in response to Paragraph 81 of FERC's March 15, 2012 Order issued on NERC's Find, Fix and Track process. 138 FERC ¶61,193. The purpose of the project is to retire or modify Reliability Standard requirements that as FERC noted, "provide little protection to the reliable operations of the BES", are redundant or unnecessary, or to retire or modify a Reliability Standard requirement to increase the efficiency of the ERO's compliance programs. Phase 1 of the project identifies Reliability Standard requirements that clearly meet the criteria set forth in the SAR and do not require extensive technical research. Subsequent phases will address Reliability Standard requirements that need additional technical research before retirement or modification.

² Guidance for developing Results-based Reliability Standards is available at the following link: <u>http://www.nerc.com/docs/standards/sar/Resulted_Based_Standard_Guidance.pdf</u>.

³ These projects are identified in the 2013 Development Plan.

⁴ The RISC was established by the NERC Board of Trustees in August 2012. The RISC is an advisory committee that reports directly to the NERC Board of Trustees, providing early stage high-level leadership and accountability for nominated issues of strategic importance to bulk power system reliability. More information on the RISC is available at: <u>http://www.nerc.com/page.php?cid=1|117|428</u>.

By this filing, NERC informs the applicable governmental authorities and other interested parties of the significant changes to the content of the 2012 Development Plan that led to the creation of the 2013 Development Plan. NERC identifies below changes in project timelines and completion dates originally outlined in the 2012 Development Plan that are reflected in the 2013 Development Plan.

A. Summary of 2012 Development Plan

The 2013 Development Plan differs from prior development plans as it broadens the scope to include three areas of work to be completed and covers all currently identified Reliability Standards development projects in the plan. Prior development plans established a fixed number of projects to be completed during the time period and prioritized the order in which projects would be in active development. The new approach eliminates the necessity for a prioritization as all projects will be in active development. To facilitate sufficient resources to accomplish this, NERC reorganized its standards department staff to focus the majority of staff on production, with more staff focused on leading standard drafting teams in the development of Reliability Standards.

B. Project Schedule and Timeline Updates

The 2012 Development Plan identified fourteen (14) active projects to be conducted over the three year period, of which eight (8) have been completed and six (6) have a planned completion date in 2013.

Projects that were listed in the 2012 Development Plan as active are:

Completed (8)

- 2006-06 Reliability Coordination
- 2007-03 Real-time Transmission Operations
- 2007-07 Vegetation Management
- 2007-17 Protection System Maintenance and Testing
- 2008-06 Cyber Security Order 706

- 2009-01 Disturbance and Sabotage Reporting
- 2010-07 Generator Requirements at the Transmission Interface
- 2010-17 Definition of Bulk Electric System

To be completed (6)

- 2007-02 Operating Personnel Communication Protocols (schedule completion: second Quarter or Q2 of 2013)
- 2007-06 Protection System Coordination (schedule completion: Q2 of 2013)
- 2007-09 Generator Verification (schedule completion: Q2 of 2013)
- 2007-12 Frequency Response (May 31, 2013 filing deadline)
- 2010-14.1 Phase 1 of Balancing Authority Reliability-based Controls: Reserves (May 31, 2013 filing deadline for BAL-012; target completion for remaining standards Q2 of 2013)
- 2010-05.1 Phase 1 of Protection Systems: Misoperations (schedule completion: Q1 of 2014)

In addition to projects listed in the 2012 Development Plan as active, the following five (5) projects that were not included in the 2012 Development Plan are currently in active

development:

- 2006-02 Assess Transmission Future Needs and Develop Transmission Plans (Filed Oct 2011)
- 2010-13.2 Phase 2 of Relay Loadability: Generation
- 2013-02 Paragraph 81
- Definition of Adequate Level of Reliability
- 2010-11 TPL Table 1, Footnote B (schedule completion: Q2 of 2013)

NERC and the Regional Entities also completed development of an additional 12 projects

that were not identified in the 2012 Development Plan:

- Project 2008-10 Interpretation of CIP-006-1 for Progress Energy
- Project 2009-19 BAL-002-0 R4 and R5 (NWPP Reserve Sharing Group)
- Project 2009-22 Interpretation of COM-002-2 for the IRC
- Project 2009-26 Interpretation of CIP-004-1 for WECC

- Project 2010-INT-01 Rapid Revision of TOP-006-2 for Florida Municipal Power Pool
- Project 2011-INT-01 Interpretation of MOD-028 for Florida Power & Light Company (Rapid Revision Standard)
- Reliability Standard BAL-002-WECC-2 Contingency Reserve
- Reliability Standard PRC-006-NPCC-1 Automatic Underfrequency Load Shedding
- Reliability Standard PRC-006-SERC-01 Automatic Underfrequency Load Shedding Requirements
- Reliability Standard PRC-006-SPP-01 Automatic Underfrequency Load Shedding
- Reliability Standard VAR-001-3 Voltage and Reactive Control (WECC Regional Variance)
- Data Request for Order 754

Respectfully submitted,

/s/ Holly A. Hawkins

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EXHIBIT A

(Available on the NERC Website at

http://www.nerc.com/fileUploads/File/Filings/Attachments_2013-2015_RSDP_filing)