

PER Informal Development Project

Requested Action

1. Authorize the concurrent posting of the PER Standards Authorization Request (SAR) for a 45-day informal comment period (given it is addressing FERC directives) along with the revised PER reliability standards (proposed PER-005-2), VRFs/VSLs, and associated implementation plan for a 45-day comment period with a ballot pool formed during the first 30 days of the comment period, and a ballot and non-binding poll conducted during the last ten days of that comment period; and
2. Approve the posting for a 10-day solicitation for nominations for Standard Drafting Team members for MOD B's formal development.

The PER project is assigned the project number 2010-01. Additionally, a redlined of the revised PER-005-1 will not be provided due to the significant amount of changes made to the standard. The rationale boxes provided in the standard will explain the changes.

Background

On March 16, 2007 the Federal Energy Regulatory Commission (FERC) issued Order No. 693, *Mandatory Reliability Standards for the Bulk-Power System* and on November 18, 2010 FERC issued Order No. 742, *System Personnel Training Reliability Standards*. Five outstanding directives remain from those two orders (3 from Order No. 693 and 2 from Order No. 742), which are explained in detail in the PER White Paper contained in the SAR package.

The informal consensus building for PER began in February 2013. Specifically, the ad hoc group engaged stakeholders on how best to address the FERC directives, paragraph 81 candidates and results-based approaches (see page 4 of the PER White Paper regarding the paragraph 81 candidate). A discussion of the ad hoc group's consensus building and collaborative activities are included in the PER White Paper (see SAR package).

Based on stakeholder outreach, the PER ad hoc group has developed one revised proposed reliability standards (PER-005-2) that address the FERC directives and recommendations for improving PER-005-1, which included creating results-based requirements and considering paragraph 81 criteria to ensure that the standards proposals did not include requirements that meet those criteria. A further discussion of this topic is included in the SAR package (see page 4 of the "PER White Paper" document).

The goal is to present the PER standard to the NERC Board of Trustees (Board) during its November 2013 meeting, and for the Board adopted PER Reliability Standard to be filed with the applicable regulatory authorities by the end of 2013.

Standard Drafting Team

The PER drafting team is proposed to consist of a maximum of 10 members. Since this project is a continuation of informal development, several drafting team members will be selected from members of the informal group and the remainder from industry. A confidential slate of

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candidates with recommendations for appointment will be provided following the public solicitation. The purpose of this appointment/solicitation approach is to ensure a smooth transition from the informal to formal standards development process for MOD B, while also providing an opportunity for solicitation of new members to help provide a well-rounded perspective to moving MOD B forward. The public solicitation shall request that standard drafting team members have experience in one or more of the following areas: training and operations. In addition, team members with experience in compliance, legal, regulatory, and technical writing are desired. Previous drafting team experience is beneficial, but not a requirement.

Quality Review

A quality review was coordinated by NERC Staff for the posting of the PER reliability standard, implementation plan, VRFs and VSLs, and other associated documents.

Project Schedule

The drafting team is expected to facilitate meeting the proposed schedule contained in the SAR package.