



# Update on FERC Activities

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The views expressed in this presentation are my own and do not represent those of the Commission or any individual Commissioner.

# FERC Reliability-Related Activity (November 2022 – February 2023)

- Welcome Chairman Phillips
- Joint Inquiry into the BPS during Winter Storm Elliott
- 2021 FERC NERC Cold Weather Reliability Standards
- FERC Technical Conferences
- Physical Security CIP-014
- Internal Network Security Monitoring for High and Medium Impact BES Cyber Systems



# Welcome Chairman Phillips

- Willie L. Phillips was named by President Biden to be Acting Chairman of the Federal Energy Regulatory Commission on January 3, 2023, and is serving a Commission term that ends June 30, 2026.
- Chairman's reliability priorities:
  - (1) Reliability is job #1
  - (2) Cyber and physical security
  - (3) Changing resource mix
- The Chairman has emphasized collaboration with NERC, Industry and the states.



# FERC-NERC-Regional Entities Winter Storm Elliott Cold Weather Inquiry:

- December 28, 2022 - The Commission, NERC and the NERC Regional Entities announced that they would open a joint inquiry into the operations of the bulk power system during the extreme winter weather conditions that occurred during [Winter Storm Elliott](#).
- The severe cold weather over the weekend contributed to power outages affecting millions of electricity customers across the country. Although most of these outages were due to weather impacts on electric distribution facilities operated by local utilities, utilities in parts of the southeast were forced to engage in rolling blackouts and the bulk-power system in other regions was significantly stressed.



# 2021 FERC-NERC Cold Weather Inquiry: Cold Weather Reliability Standards

- October 28, 2022 – NERC filed Extreme Cold Weather Grid Operations, Preparedness, and Coordination Reliability Standards for expedited approval in Docket No. RD23-1.
- Revisions address the findings of the Joint Inquiry into the February 2021 Cold Weather Outages in Texas and South-Central United States and five of the recommendations for new or enhanced Reliability Standards proposed in the [Joint Report](#).
- Represents the first phase of a two-phase effort to implement Recommendations of the 2021 Inquiry.
- If approved, the petition requests that the Commission:
  - Approve Reliability Standards EOP-011-3 to modify requirements for load shedding procedures
  - Retire EOP-011-2 Emergency Preparedness and Operations.
  - Approve Reliability Standard EOP-012-1 which requires freeze protection for new and existing resources



# Technical Conferences

- ***Establishing Interregional Transfer Capability Transmission Planning and Cost Allocation Requirements Technical Conference*** was held on December 5-6, 2022. Docket No. AD23-3-000. The technical conference discussed whether and how the Commission could establish a minimum requirement for Interregional Transfer Capability for public utility transmission providers in transmission planning and cost allocation processes.
- ***Supply Chain Risk Management Technical Conference*** was held on December 7, 2022. AD22-12-000. FERC's Office of Electric Reliability and DOE held a technical conference to discuss supply chain security challenges related to the Bulk-Power System, ongoing supply chain-related activities, and potential measures to secure the supply chain for the grid's hardware, software, computer, and networking equipment.



# Physical Security

[Order Directing Report on CIP-014-3](#), issued December 15, 2023 in Docket RD23-2.

- Order directs NERC to conduct a study evaluating the effectiveness of CIP-014-3, and to submit a report within 120 days of the order date.

## *Joint Federal-State Task Force on Electric Transmission*

- Announced (June 17, 2021, in Docket No. AD21-15). The purpose is to encourage cooperation and communication between federal and state regulators on electric transmission related issues.
- There have been five meetings between federal and state regulators on electric transmission related issues.
- The sixth meeting is today, Wednesday, February 15, 2023. The meeting will focus on Physical Security of the Transmission System.

Recordings of these meetings are available at [Joint Federal-State Task Force on Electric Transmission](#).



# Internal Network Security Monitoring

- [Final Rule on Internal Network Security Monitoring for High and Medium Impact Bulk Electric System Cyber Systems](#), issued January 19, 2023 (Order No. 887, Docket No. RM22-3-000).
  - Final Rule directs NERC to develop and submit within 15 months of the effective date new or modified Reliability Standards that require internal network security monitoring for all high impact bulk electric system BES Cyber Systems with and without external routable connectivity and medium impact BES Cyber Systems with external routable connectivity.
  - Final Rule directs NERC to perform a study of all low impact BES Cyber Systems with and without external routable connectivity.
  - Final Rule directs NERC to submit its study report to the Commission within 12 months of the issuance of the final rule.

