

**NERC**

NORTH AMERICAN ELECTRIC  
RELIABILITY CORPORATION

# Project Prioritization

2012-2014 Reliability Standards Development Plan

September 9, 2011

**RELIABILITY | ACCOUNTABILITY**



- Background

- Past practice: The Standards Committee (SC) accepted all valid project requests without prioritization based on reliability benefits. This led to too many projects, dragging out schedules, overwhelming stakeholders, staff, FERC
- New standard process and new SC Charter facilitates the prioritization of projects
- The SC worked with staff to develop a prioritization process
- The process was endorsed by NERC Board of Trustees on Feb. 17, 2011
- The SC used the process to assist in development of the 2011-2013 Reliability Standards Development Plan (RSDP)

- Annual process, coordinated with RSDP
- Intra-year adjustments as necessary
- Projects are scored and ranked using a spreadsheet-based tool
- Rankings are reviewed, compared, and confirmed by the SC
- Prioritization looks at several aspects
  - Reliability Benefit
  - Cost Considerations
  - Time Sensitivity
  - Practicality

- Addresses an Electric Reliability Organization (ERO) Strategic Priority
- Addresses a Reliability Risk not covered by an Existing Standard
- Improves one or more Existing Standards
- Results in a score between 0 and 250

- Cost of Implementation
- Cost of Administration
  
- Results in a score between 0 and 100

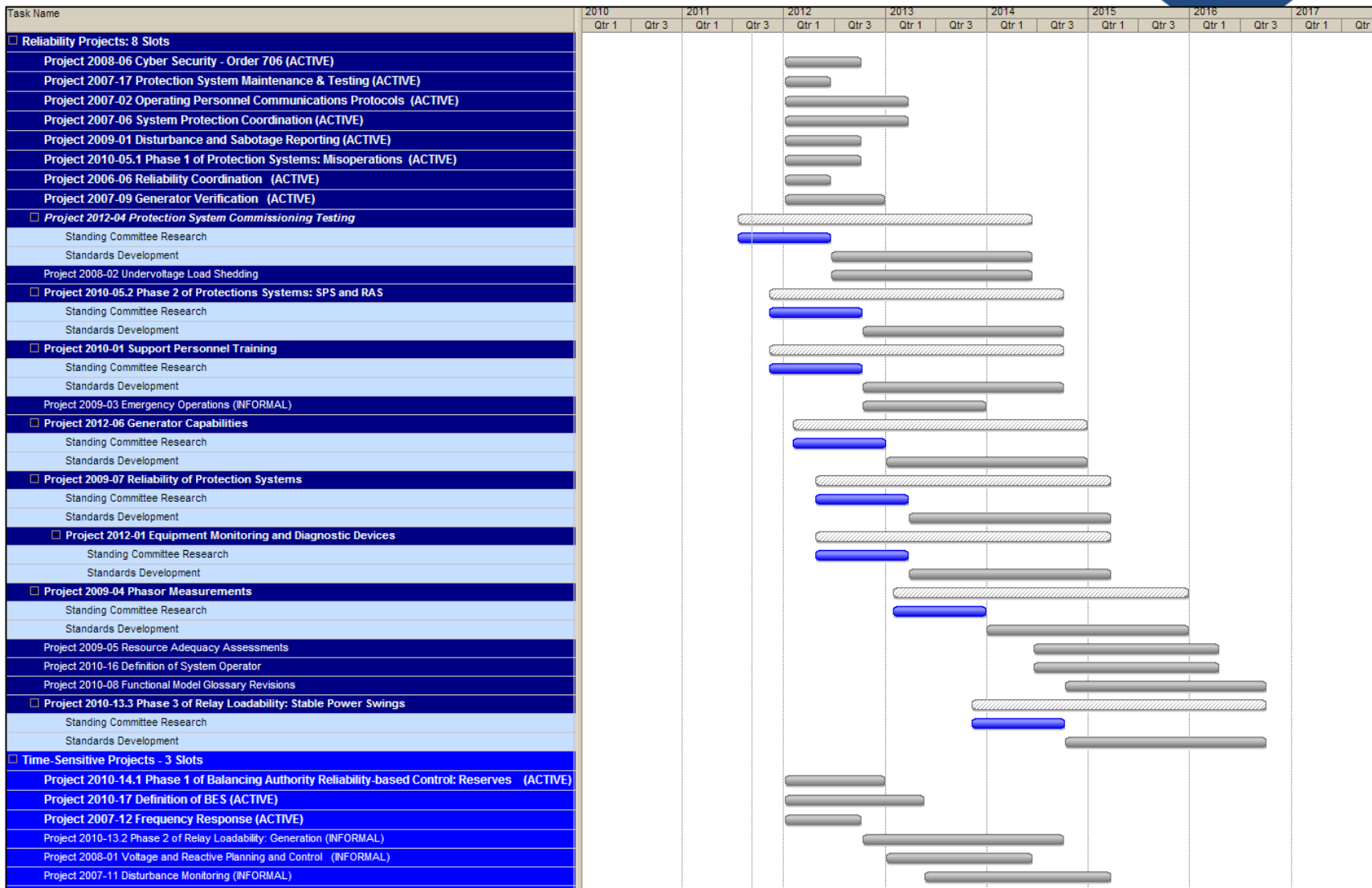
- Includes regulatory deadlines or other ERO commitments
- Number of months to due date, if any
- Projects due in >5 years treated as zero
- Results in a score between 0 and 100

- Addresses compliance issues from NERC staff or stakeholders
- Addresses a failed Interpretation, or when Standard Drafting Team (SDT) efforts to develop an interpretation within the confines of the standard were unsuccessful
- Other practicality concern
- Results in a score between 0 and 150

Reliability	0	-	250
Cost Considerations	0	-	100
Time Sensitivity	0	-	100
Practicality	0	-	150
<b>TOTAL</b>	<b>0</b>	<b>-</b>	<b>600</b>

STANDARD'S COMMITTEE Reliability Standard Project Prioritization		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	SUMMARY					7	26	3	3		
		Cells with this color are blank and need a value entered.										Sort	Sort	Sort	Sort	Sort						
STANDARDS	Project Number	Brief Description	Addressing the NERC Reliability Priority	Addressing reliability risk and associated operational and planning activities	Addressing operational and planning activities	Cost of implementation based on the amount of emergency response resources expected to be used	Cost of Addressing the Risk The cost is determined by the severity of the risk as expected to be	Time to Address the Risk by (NERC Staff)	Addressing the risk based on the NERC Reliability Priority	Addressing the risk based on the NERC Reliability Priority	Other Reliability Considerations	Weighted Score	Reliability Score (0-100)	Cost Score (0-100)	Time Score (0-100)	Priority Score (0-100)	Total Score (0-400)	TOTAL RANKING	Priority Ranking	Cost Ranking	Time Ranking	Priority Ranking
			0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)	0-100 (Lowest)
1	Standard 1-1.1	Standard 1-1.1										0	0	0	0	0	1	1	1	1	1	1
2	Standard 2-1.1	Standard 2-1.1										0	0	0	0	0	2	2	2	2	2	2
3	Standard 3-1.1	Standard 3-1.1										0	0	0	0	0	3	3	3	3	3	3
4	Standard 4-1.1	Standard 4-1.1										0	0	0	0	0	4	4	4	4	4	4
5	Standard 5-1.1	Standard 5-1.1										0	0	0	0	0	5	5	5	5	5	5
6	Standard 6-1.1	Standard 6-1.1										0	0	0	0	0	6	6	6	6	6	6
7	Standard 7-1.1	Standard 7-1.1										0	0	0	0	0	7	7	7	7	7	7
8	Standard 8-1.1	Standard 8-1.1										0	0	0	0	0	8	8	8	8	8	8
9	Standard 9-1.1	Standard 9-1.1										0	0	0	0	0	9	9	9	9	9	9
10	Standard 10-1.1	Standard 10-1.1										0	0	0	0	0	10	10	10	10	10	10
11	Standard 11-1.1	Standard 11-1.1										0	0	0	0	0	11	11	11	11	11	11

- NERC and the SC consider several other factors as it moves from the prioritization results to the RSDP
  - Regulatory Directives
  - Existing project commitments
  - The overall resource pool
  - Availability of specific expertise within the industry



## **310. Reliability Standards Annual Work Plan**

NERC shall develop and provide an annual work plan for development of reliability standards to the applicable ERO governmental authorities. NERC shall consider the comments and priorities of the ERO governmental authorities in developing and updating the work plan. Each annual work plan shall include a progress report comparing results achieved to the prior year's plan.

- General
- Project Development Overview
- Projects
- Prioritization Tool
- Work Plan

- Projects Continuing in 2012
  - 2006-06 Reliability Coordination
  - 2007-02 Operating Personnel Communication Protocols
  - 2007-03 Real-time Transmission Operations
  - 2007-06 Protection System Coordination
  - 2007-07 Vegetation Management (if not completed)
  - 2007-09 Generator Verification
  - 2007-12 Frequency Response

- Projects Continuing in 2012 (continued)
  - 2007-17 Protection System Maintenance and Testing
  - 2008-06 Cyber Security – Order 706
  - 2009-01 Disturbance and Sabotage Reporting
  - 2010-05.1 Phase 1 of Protection Systems: Misoperations
  - 2010-07 Generator Requirements at the Transmission Interface
  - 2010-14.1 Phase 1 of Balancing Authority Reliability-based Controls – Reserves
  - 2010-17 Definition of Bulk Electric System

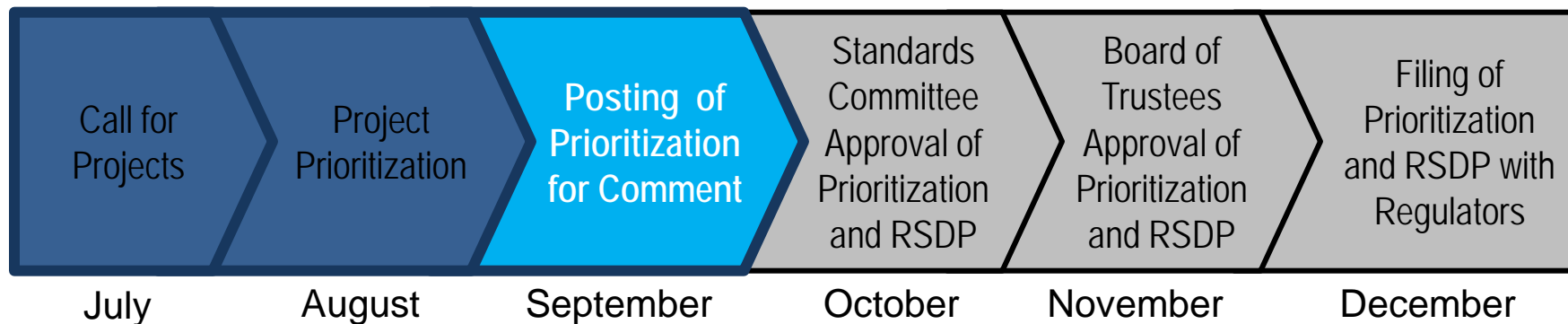
- Additional Projects Expected to Start in 2012
  - 2008-02 Undervoltage Load Shedding
  - 2009-02 Real-time Monitoring and Analysis Capabilities
  - 2009-03 Emergency Operations
  - 2010-01 Support Personnel Training
  - 2010-05.2 Phase 2 of Protection Systems: SPS and RAS
  - 2010-13.2 Phase 2 of Relay Loadability: Generation
  - 2012-04 Protection System Commissioning Testing

- Projects Expected to Start in 2013
  - 2007-11 Disturbance Monitoring
  - 2008-01 Voltage and Reactive Planning and Control
  - 2008-12 Coordinate Interchange Standards
  - 2009-07 Reliability of Protection Systems
  - 2010-14.2 Project 2010-14.2 Phase 2 of Balancing Authority Reliability-based Control: Time Error, AGC, and Inadvertent
  - 2012-01 Equipment Monitoring and Diagnostic Devices
  - 2012-06 Generator Capabilities

- Projects Expected to Start in 2014
  - 2009-04 Phasor Measurements
  - 2009-05 Resource Adequacy Assessments
  - 2010-03 Modeling Data
  - 2010-04 Demand Data
  - 2010-08 Functional Glossary Model Revisions
  - 2010-13.3 Phase 3 of Relay Loadability: Stable Power Swings
  - 2010-16 Definition of System Operator
  - 2012-05 ATC Revisions - Order 729

- Projects For Consideration for 2015 and Beyond
  - 2010-02 Connecting New Facilities to the Grid
  - 2012-02 Physical Protection
  - 2012-03 PRC-004 VSLs
  - 2012-07 Obsolescence Review
  - 2012-08 Glossary Updates
  - 2012-09 IRO Review
  - 2012-11 FAC Review
  - 2012-12 PER Review
  - 2012-13 NUC Review
  - 2012-14 Risk Analysis

- Projects Identified but not Prioritized
  - 2006-06.2 Phase 2 of Reliability Coordination
  - 2012-15 Flow Limited Paths



*To Be Posted for Comment: September 12, 2011*

**DEADLINE FOR SUBMITTING COMMENTS:**

**8:00 p.m. Eastern, SEPTEMBER 26, 2011**

- Focused Feedback
  - Is there anything in the prioritization that is significantly below where it should be ranked?
  - Is there anything in the RSDP we deferred that can't wait?
  - Requests for new projects will be considered separately

- Improvement in standards development project management capability is underway
- The Standards Committee is working to improve the ways we use our process
- We need you!
  - To be technical experts
  - To help us prioritize work in ways that benefit reliability
  - To show the self-regulatory model is working



# *Questions?*

*Andy Rodriguez*  
*Director of Standards Development*  
[andy.rodriquez@nerc.net](mailto:andy.rodriquez@nerc.net)  
*404-446-9741*