

Reliability Standard Applicability to Dispersed Generation Resources

NERC Staff Preliminary Assessment – February 19, 2014

NERC staff has made a preliminary assessment of the NERC Reliability Standards applicable to Generator Owners (GOs) and Generator Operators (GOPs). The review has included standards that are pending regulatory filing, filed and pending regulatory approval, subject to future enforcement, or subject to enforcement. Separate analysis has been performed for Critical Infrastructure Protection (CIP) and non-CIP standards. This assessment is provided as a starting point for standard drafting team discussion and does not constitute an official NERC position. The final applicability may be more or less stringent, on a requirement-by-requirement basis.

CIP Standards

In the Critical Infrastructure Protection (CIP) family of standards, dispersed generation resource assets would fall into the Low Impact category. The CIP family of standards applies to GOs and GOPs according to its applicability section. Beyond the applicability, entities registered as GOs and or GOPs must also look to the criteria in Attachment 1 of CIP-002-5.1 to categorize their BES Cyber Systems and associated BES Cyber Assets. If assets do not meet criteria 1 or 2 for High or Medium Impact, they may fall under criterion 3 of Attachment 1 for Low Impact. For dispersed generation resource assets, they do not fall under High because that applies to Control Centers. For Medium, dispersed generation resource assets will likely not meet the criteria because they do not have a high enough Real or Reactive Power rating. Therefore, they fall under Low because criterion 3.3 of Attachment 1 includes “Generation Resources” as Low Impact assets. The CIP family of standards’ applicability to GOs and GOPs permits dispersed generation resource assets to determine that they fall under Low Impact assets. Currently, Low Impact BES Cyber Systems must comply with a limited number of requirements, all located in CIP-003. The only technical requirement is R2, which will be modified during the current drafting activity under Project 2014-02 Critical Infrastructure Protection Standards Version 5 Revisions to add clarity to the requirement.

Non-CIP Standards

NERC staff has reviewed each requirement applicable to Generator Owners and Generator Operators and assessed the applicability based on the following categories.

- Requirements that apply to the Generation Ownership or Generator Operations functions independent of the type of facility
- Requirements that apply on a plant basis or to the aggregated plant capacity
- Requirements that apply to interconnection Facilities

- Requirements that apply to portions of collector systems that aggregate more than 75 MVA of resources, up through the main step up transformer
- Requirements that apply to individual generating units

The assessment was broken into two parts. In the first part, the applicability of each requirement was assessed based on the text of the existing requirements. In the second part, an assessment was made of appropriate future applicability as an outcome of Project 2014-01 and whether interim guidance should be provided for implementation of the existing requirements. Classifying requirements should be based on evaluating the reliability objective of each requirement, the potential reliability impact if the requirement is applied to a portion of each dispersed generation facility versus individual generating units, and the burden on registered entities to achieve and demonstrate compliance. For example, in some cases the reliability risk associated with applying a requirement at the plant level may be the potential for occasional tripping of an individual generating unit, while in other cases the reliability risk may be a common mode trip of all generating units, such as in response to a wide-area voltage or frequency excursion. When it is necessary to apply a requirement to individual generating units, it is appropriate to assess the documentation required for registered entities to demonstrate compliance. In many cases the evidence may be identical for each unit because each individual generating unit has identical operating characteristics or identical protection settings. In these cases it should not be necessary for an entity to provide evidence for each generating unit. The attached spreadsheets document the NERC staff preliminary assessment of the non-CIP standards.