

FEDERAL ENERGY REGULATORY COMMISSION

Washington, DC 20426

Office of Electric Reliability

June 20, 2012

North American Electric Reliability Corporation  
Suite 600  
3353 Peachtree Road, NE, North Tower  
Atlanta, GA 30326

Attention: Gerry Cauley, Chief Executive Officer

Reference: Report on Outages and Curtailments  
During the Southwest Cold Weather  
Event of February 1-5, 2011  
Docket No. AD11-9-000

Subject: Follow-up Actions in Response to August 16, 2011 Joint Report

Dear Mr. Cauley:

As you know, on August 16, 2011, the Federal Energy Regulatory Commission (Commission) and North American Electric Reliability Corporation (NERC) released a staff report following a six-month inquiry in which the task force found a majority of the electric outages and gas shortages were due to weather-related causes. The report presented recommendations that, if implemented, could significantly contribute to preventing a recurrence of the rolling blackouts and natural gas curtailments experienced in the Southwest during the February 2011 cold weather event.

Bullet 5 on page 196 of the report identified a potential gap in the Reliability Standards:

The lack of any state, regional or Reliability Standards that directly require generators to perform winterization left winter-readiness dependent on plant or corporate choices. While Reliability Standard EOP-001 R.4 and R.5 refer to winterization as a consideration in

emergency plans, these requirements apply only to balancing authorities, transmission owners, and transmission operators.

Recommendation 11 on page 203 of the joint report includes the following assessment of this potential gap by NERC staff:

NERC staff has concluded there would be a reliability benefit from amending the EOP Reliability Standards to require Generator Owner/Operators to develop, maintain, and implement plans to winterize plants and units prior to extreme cold weather, in order to maximize generator output and availability. Accordingly, NERC intends to submit a Standard Authorization Request, the first step in the Reliability Standards development process, proposing modifications to the Reliability Standards for Emergency Preparedness and Operations.

Please provide the status of the initiative to modify the Reliability Standards to address winterization and related issues, including progress made on the development of the Standard Authorization Request. Include with this status report NERC's anticipated timeline for filing with the Commission any proposed new or revised Reliability Standards.

This letter is issued pursuant to the authority delegated to the Director, Office of Electric Reliability under 18 C.F.R. § 375.303 and is interlocutory. This order is not subject to rehearing pursuant to 18 C.F.R. § 385.713. A response to this order must be filed within 15 days of the date of this letter. You are encouraged to e-file your responses with the Commission. Instructions for e-filing are provided on the Commission's website at [www.ferc.gov/docs-filing/efiling.asp](http://www.ferc.gov/docs-filing/efiling.asp). Otherwise, if you choose to file hard copies, send your response to:

Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Irrespective of your filing method, please also provide a copy of your response to:

Mark E. Hegerle  
Office of Electric Reliability  
888 First Street, NE  
Washington, DC 20426

Any questions regarding this letter should be directed to Mark Hegerle at 202-502-8287 or [mark.hegerle@ferc.gov](mailto:mark.hegerle@ferc.gov).

Sincerely,

Joseph H. McClelland  
Director  
Office of Electric Reliability