

138 FERC ¶ 61,095
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
and Cheryl A. LaFleur.

North American Electric Reliability
Corporation

Docket No. RD11-13-000

ORDER APPROVING MODIFICATION OF DEFINITION

(Issued February 3, 2012)

1. On March 30, 2011, the North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization (ERO), submitted a petition for Commission approval of a proposed modification to the Glossary of Terms Used in NERC Reliability Standards (Glossary).¹ Specifically, NERC seeks Commission approval of a proposed modification to the definition of Protection System. In this order, the Commission approves NERC's modification to the Glossary, finding that the modification to the definition of Protection System is just, reasonable, not unduly discriminatory or preferential, and in the public interest.

I. Background

2. Section 215 of the Federal Power Act (FPA) requires a Commission-certified ERO to develop mandatory and enforceable Reliability Standards, which are subject to Commission review and approval. Once approved, the Reliability Standards may be enforced by the ERO, subject to Commission oversight, or by the Commission independently.²

¹ *North American Electric Reliability Corp.*, March 30, 2011 Petition for Approval of Modification to the Definition of Protection System (Petition).

² See 16 U.S.C. 824o(e) (2006).

3. Pursuant to section 215 of the FPA, the Commission established a process to select and certify an ERO³ and, subsequently, certified NERC as the ERO.⁴ On March 16, 2007, the Commission issued Order No. 693, approving 83 of the 107 Reliability Standards and associated definitions filed by NERC, including the definition of Protection System.⁵

II. NERC Petition

4. In its March 30, 2011 Petition, NERC requests Commission approval of a proposed modification to the definition of Protection System. NERC states that it proposed the modification “to close a reliability gap created by an omission in the current Commission-approved definition of ‘Protection System.’”⁶ Specifically, NERC proposes to add battery chargers to the definition.

5. The current definition of Protection System includes protective relays, associated communication systems, voltage and current sensing devices, station batteries and DC control circuitry.⁷ The revised definition with the proposed modification states:⁸

³ *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval and Enforcement of Electric Reliability Standards*, Order No. 672, FERC Stats. & Regs. ¶ 31,204, *order on reh’g*, Order No. 672-A, FERC Stats. & Regs. ¶ 31,212 (2006).

⁴ *North American Electric Reliability Corp.*, 116 FERC ¶ 61,062, *order on reh’g & compliance*, 117 FERC ¶ 61,126 (2006), *aff’d sub nom., Alcoa, Inc. v. FERC*, 564 F.3d 1342 (D.C. Cir. 2009).

⁵ *Mandatory Reliability Standards for the Bulk-Power System*, Order No. 693, FERC Stats. & Regs. ¶ 31,242, *order on reh’g*, Order No. 693-A, 120 FERC ¶ 61,053 (2007).

⁶ Petition at 5.

⁷ NERC Glossary of Terms Used in Reliability Standards (2011). Available at: http://www.nerc.com/files/Glossary_of_Terms_2011October26.pdf.

⁸ The modified definition approved herein shall supersede the interpretation of Requirement R1 of Reliability Standard PRC-005-1 approved concurrently with this order in Docket No. RM10-5-000 on the effective date of the modified definition (the first day of the first calendar quarter twelve months from approval, i.e., April 1, 2013).

“Protection System –

- Protective relays which respond to electrical quantities,
- Communications systems necessary for correct operation of protective functions,
- Voltage and current sensing devices providing inputs to protective relays,
- Station dc supply associated with protective functions (including station batteries, battery chargers, and non-battery-based dc supply), and
- Control circuitry associated with protective functions through the trip coil(s) of the circuit breaker or other interrupting devices.”⁹

6. In the Petition, NERC explains that the modification will improve the definition by clearly identifying the essential elements that constitute a Protection System.¹⁰ NERC states that battery chargers are an essential piece of the bulk power system that should be included in the definition since battery chargers function to assure that batteries associated with protection systems are in a continuous state of readiness.¹¹

Effective Date

7. NERC requests that the modification be made effective according to the implementation plan accompanying the filing.¹² Specifically, NERC proposes that each responsible entity subject to PRC-005-1 shall be required to modify its protection system maintenance and testing program description and basis documents, as required by Requirement R1, to reflect the revised definition of Protection System by the first day of the first calendar quarter twelve months following the appropriate regulatory approvals. NERC further proposes that each responsible entity shall be required to implement any new or additional maintenance and testing, as required by Requirement R2, by the end of the first complete maintenance and testing cycle described in the entity’s program description and basis documents.

⁹ Petition at 5.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.* at 2.

III. Notice of Filing, Interventions and Comments

8. On November 22, 2011, notice of NERC's filing was published in the *Federal Register* with interventions and protests due on or before December 15, 2011.¹³ A motion to intervene was timely filed by American Municipal Power, Inc. (AMP). Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,¹⁴ the timely, unopposed motion to intervene serves to make AMP a party to this proceeding.

IV. Commission Determination

9. The Commission finds that the ERO's modification to the definition of Protection System is just, reasonable, not unduly discriminatory or preferential, and in the public interest.¹⁵ As explained by NERC, battery chargers are essential to assure that batteries used to operate protection systems are in a continuous state of readiness. Therefore, it is appropriate that battery chargers be included in the definition of Protection System. The modified definition removes any uncertainty as to whether battery chargers should be included in a responsible entity's maintenance and testing program and, therefore, closes a reliability gap identified by NERC.

10. Accordingly, the Commission approves the modification to the definition of Protection System, effective pursuant to the implementation plan described above.

V. Information Collection Statement

11. The Office of Management and Budget (OMB) regulations require that OMB approve certain reporting and recordkeeping requirements (collections of information) imposed by an agency.¹⁶ The Commission submits reporting and recordkeeping requirements to OMB under section 3507 of the Paperwork Reduction Act of 1995.¹⁷

¹³ 76 Fed. Reg. 72,195 (2011).

¹⁴ 18 C.F.R. § 385.214 (2011).

¹⁵ 16 U.S.C. § 824(d)(2).

¹⁶ 5 C.F.R § 1320 (2011).

¹⁷ 44 U.S.C. § 3507.

12. The Commission approved the definition of Protection System, the subject of this order, in Order No. 693.¹⁸ This order proposes to approve a modification to the previously approved definition, which was developed by NERC as the ERO. The definition relates to an existing Reliability Standard, and the Commission does not expect it to affect entities' current reporting burden.¹⁹ Accordingly, we will submit this order to OMB for informational purposes only.

The Commission Orders:

NERC's modified definition is hereby approved, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

¹⁸ Order No. 693, FERC Stats. & Regs. ¶ 31,242, *order on reh'g*, Order No. 693-A, 120 FERC ¶ 61,053.

¹⁹ 5 C.F.R. § 1320.3(b)(2).