

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

**Monitoring System Conditions - Transmission
Operations Reliability Standard
Transmission Operations Reliability Standards
Interconnection Reliability Operations and
Coordination Reliability Standards**

Docket No. RM13-12-000

Docket No. RM13-14-000

Docket No. RM13-15-000

**QUARTERLY STATUS REPORT OF THE
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION,
SECOND QUARTER 2014**

On December 20, 2013, the North American Electric Reliability Corporation (“NERC”) filed a motion requesting that the Commission defer action, until January 31, 2015, to allow NERC time to consider the reliability concerns raised by the Commission in the November 21, 2013, Notice of Proposed Rulemaking (“NOPR”) in connection with the revisions to the Transmission Operations (“TOP”) and Interconnection Reliability Operations and Coordination (“IRO”) Reliability Standards in the above-referenced dockets.¹ NERC committed to providing the Commission with quarterly reports regarding the status of revisions, and the instant filing is submitted consistent with that commitment. On January 14, 2014, the Commission granted NERC’s motion to defer action until January 31, 2015.² On April 1, 2014, NERC filed a quarterly status report regarding standard development activities in the first quarter of 2014. The following quarterly report addresses standard development activities in the second quarter of 2014, (*i.e.*, April 1, 2014 – June 30, 2014).

¹ *Monitoring System Conditions - Transmission Operations Reliability Standard, Transmission Operations Reliability Standards, Interconnection Reliability Operations and Coordination Reliability Standards*, Notice of Proposed Rulemaking, 145 FERC ¶ 61,158 (2013).

² *Monitoring System Conditions - Transmission Operations Reliability Standard, Transmission Operations Reliability Standards, Interconnection Reliability Operations and Coordination Reliability Standards*, 146 FERC ¶ 61,023 (2014).

I. Notices and Communication

Notices and communications with respect to this filing may be addressed to the following:³

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II. Status of Revisions – Project 2014-03

A. Background

A Standards Authorization Request (“SAR”) was submitted on February 12, 2014 to address the concerns identified by the Commission in the NOPR. A standard drafting team was appointed by the NERC Standards Committee on February 12, 2014. This project has been designated as 2014-03.⁴

Two technical conferences were held by NERC in March to facilitate discussion of the issues identified by the Commission in the NOPR.⁵ An informal comment period was held from March 11, 2014 through March 24, 2014 to allow for industry comments on the topics discussed during the conferences, or suggestions for further consideration of issues identified in the NOPR.

³ Persons to be included on FERC’s service list are indicated with an asterisk. NERC requests waiver of 18 C.F.R. § 385.203(b) to permit the inclusion of more than two people on the service list.

⁴ The project page is *available here*: <http://www.nerc.com/pa/Stand/Pages/Project-2014-03-Revisions-to-TOP-and-IRO-Standards.aspx>.

⁵ The slides from the conferences are *available here*: http://www.nerc.com/pa/Stand/Prjct201403RvsnstoTOPandIROStndrds/top_iro_technical_conference_presentation_20140306.pdf.

These comments are posted on the project webpage as part of the development record and have been considered by the standard drafting team for Project 2014-03.⁶

B. Second Quarter 2014, April 1, 2014 – June 30, 2014

A standard drafting team meeting was held from April 8-10, 2014,⁷ followed by a meeting from April 22-24, 2014.⁸ Revisions to the following Reliability Standards are currently posted for a 45-day formal comment period from June 23, 2014 through July 2, 2014:

- TOP-001-3 – Transmission Operations
- TOP-002-4 - Operations Planning
- TOP-003-3 – Operational Reliability Data
- IRO-001-4 – Reliability Coordination – Responsibilities
- IRO-002-4 – Reliability Coordination
- IRO-008-2—Reliability Coordinator Operational Analyses and Real-time Assessments
- IRO-010-2—Reliability Coordinator Data Specification and Collection
- IRO-014-3—Coordination Among Reliability Coordinators
- IRO-017-1 – Outage Coordination

Revisions to the defined terms “Operational Planning Analysis” and “Real-time Assessment” are also proposed and posted for comment. Initial ballots of the standards, definitions, and proposed implementation plan will be conducted during the last ten days of the comment period.

The Project 2014-03 standard drafting team has written a whitepaper on System Operating Limits (“SOLs”) in order to clarify how to establish SOLs and mitigate an exceedance of an SOL.⁹ In addition, consistent with the NOPR, the team has reviewed the recommendations

⁶ Available here:

http://www.nerc.com/pa/Stand/Prjct201403RvsnstoTOPandIROStndrds/Comments%20Received%20-%20Tech%20Conferences%20TOP_IRO%20Mar%202014.pdf

⁷ This information is publicly posted on the NERC calendar, available here: <http://www.nerc.net/meetings/details.asp?id=3979>.

⁸ This information is publicly posted on the NERC calendar, available here: <http://www.nerc.net/meetings/details.asp?id=3992>.

⁹ Available here:

http://www.nerc.com/pa/Stand/Prjct201403RvsnstoTOPandIROStndrds/2014_03_first_posting_white_paper_sol_exceedance_20140509.pdf.

of the 2011 Southwest Outage Blackout Report¹⁰ and has addressed how the proposed Reliability Standards fulfill many of these recommendations.¹¹

A drafting team meeting is scheduled for July 22, 2014 – July 24, 2014 and additional information is available on the NERC calendar.¹² The Project 2014-03 standard drafting team and NERC Staff are diligently working to revise the IRO and TOP Reliability Standards.

III. Conclusion

The North American Electric Reliability Corporation respectfully requests that the Commission accept this quarterly report for informational purposes.

Respectfully submitted,

/s/ Stacey Tyrewala

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Dated: July 1, 2014

¹⁰ Available here: <https://www.ferc.gov/legal/staff-reports/04-27-2012-ferc-nerc-report.pdf>.

¹¹ Available here: http://www.nerc.com/pa/Stand/Prjct201403RvsnstoTOPandIROStndrds/2014_03_first_posting_sw_outage_recommendations_201405012.pdf. In addition, the standard drafting team has also considered issues raised in the NOPR, in the following document, available here: http://www.nerc.com/pa/Stand/Prjct201403RvsnstoTOPandIROStndrds/2014_03_first_posting_nopr_issues_20140509.pdf.

¹² Available here: <http://www.nerc.net/meetings/details.asp?id=4063>.