Agenda
Standards Committee Process Subcommittee Conference Call
May 23, 2016 | 2:30 p.m. – 3:30 p.m. Eastern


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Introduction and Chair’s Remarks

NERC Antitrust Compliance Guidelines and Public Announcement

Agenda Items
1. Review Current Team Roster
2. Review Meeting Agenda and Objectives
3. Consent Agenda - (Approve)
   a. March 30, 2016 Standards Committee Process Subcommittee (SCPS) Meeting Notes*
4. NERC Standard Processes Manual (SPM) Revision Project - (P. Heidrich)
5. SCPS Work Plan* (Discussion)
   a. SCPS Activities - (P. Heidrich)
      i. Project Assignments
      ii. Conceptual Projects
6. Consensus Building (Endorse)* – B. Li
7. Items Slated for Presentation at Next Standards Committee Meeting (June 15, 2016) - (P. Heidrich)
   a. Revisions to the NERC Standard Processes Manual (SPM) - Project Plan
   b. SCPS Membership Nominations
   c. Communication Facilitation*
8. Review of the Standards Resource Document list* - (L. Oelker)
9. Communication with Industry - (P. Heidrich)
10. Review of Actions/Assignments - (S. Crutchfield)
11. Future Meetings
   a. Meetings in coordination with Standards Committee:
      i. June 14, 2016 (1:00 p.m. - 5:00 p.m.) St. Louis, MO
      ii. September 13, 2016 (1:00 p.m. - 5:00 p.m.) San Francisco, CA
      iii. December 13, 2016 (1:00 p.m. - 5:00 p.m.) Atlanta GA
   b. Interim Conference Call:
      i. June 29, 2016 - 1:00 p.m. - 4:00 p.m. Eastern
      ii. September 28, 2016 - 1:00 p.m. - 4:00 p.m. Eastern

12. Adjourn

*Background materials included.
Antitrust Compliance Guidelines

I. General
It is NERC’s policy and practice to obey the antitrust laws and to avoid all conduct that unreasonably restrains competition. This policy requires the avoidance of any conduct that violates, or that might appear to violate, the antitrust laws. Among other things, the antitrust laws forbid any agreement between or among competitors regarding prices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that unreasonably restrains competition.

It is the responsibility of every NERC participant and employee who may in any way affect NERC’s compliance with the antitrust laws to carry out this commitment.

Antitrust laws are complex and subject to court interpretation that can vary over time and from one court to another. The purpose of these guidelines is to alert NERC participants and employees to potential antitrust problems and to set forth policies to be followed with respect to activities that may involve antitrust considerations. In some instances, the NERC policy contained in these guidelines is stricter than the applicable antitrust laws. Any NERC participant or employee who is uncertain about the legal ramifications of a particular course of conduct or who has doubts or concerns about whether NERC’s antitrust compliance policy is implicated in any situation should consult NERC’s General Counsel immediately.

II. Prohibited Activities
Participants in NERC activities (including those of its committees and subgroups) should refrain from the following when acting in their capacity as participants in NERC activities (e.g., at NERC meetings, conference calls and in informal discussions):

- Discussions involving pricing information, especially margin (profit) and internal cost information and participants’ expectations as to their future prices or internal costs.
- Discussions of a participant’s marketing strategies.
- Discussions regarding how customers and geographical areas are to be divided among competitors.
- Discussions concerning the exclusion of competitors from markets.
- Discussions concerning boycotting or group refusals to deal with competitors, vendors or suppliers.
• Any other matters that do not clearly fall within these guidelines should be reviewed with NERC’s General Counsel before being discussed.

III. Activities That Are Permitted

From time to time decisions or actions of NERC (including those of its committees and subgroups) may have a negative impact on particular entities and thus in that sense adversely impact competition. Decisions and actions by NERC (including its committees and subgroups) should only be undertaken for the purpose of promoting and maintaining the reliability and adequacy of the bulk power system. If you do not have a legitimate purpose consistent with this objective for discussing a matter, please refrain from discussing the matter during NERC meetings and in other NERC-related communications.

You should also ensure that NERC procedures, including those set forth in NERC’s Certificate of Incorporation, Bylaws, and Rules of Procedure are followed in conducting NERC business.

In addition, all discussions in NERC meetings and other NERC-related communications should be within the scope of the mandate for or assignment to the particular NERC committee or subgroup, as well as within the scope of the published agenda for the meeting.

No decisions should be made nor any actions taken in NERC activities for the purpose of giving an industry participant or group of participants a competitive advantage over other participants. In particular, decisions with respect to setting, revising, or assessing compliance with NERC reliability standards should not be influenced by anti-competitive motivations.

Subject to the foregoing restrictions, participants in NERC activities may discuss:

• Reliability matters relating to the bulk power system, including operation and planning matters such as establishing or revising reliability standards, special operating procedures, operating transfer capabilities, and plans for new facilities.

• Matters relating to the impact of reliability standards for the bulk power system on electricity markets, and the impact of electricity market operations on the reliability of the bulk power system.

• Proposed filings or other communications with state or federal regulatory authorities or other governmental entities.

Matters relating to the internal governance, management and operation of NERC, such as nominations for vacant committee positions, budgeting and assessments, and employment matters; and procedural matters such as planning and scheduling meetings.
Conference call:
Participants are reminded that this conference call is public. The access number was posted on the NERC website and widely distributed. Speakers on the call should keep in mind that the listening audience may include members of the press and representatives of various governmental authorities, in addition to the expected participation by industry stakeholders.
### Introductions and Chair's Remarks

The meeting was brought to order by Peter Heidrich at 1:00 p.m. Eastern on Wednesday, March 30, 2016. Participants were introduced and those in attendance were:

<table>
<thead>
<tr>
<th>Term</th>
<th>Participant</th>
<th>Entity</th>
<th>Present (Y/N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016–17</td>
<td>Peter Heidrich (Chair)</td>
<td>Florida Reliability Coordinating Council</td>
<td>Y</td>
</tr>
<tr>
<td>2016–17</td>
<td>P.S. (Ben) Li (Vice Chair)</td>
<td>Ben Li Associates, Inc.</td>
<td>Y</td>
</tr>
<tr>
<td>2016–17</td>
<td>Brian Buckley</td>
<td>Tampa Electric Co.</td>
<td>N</td>
</tr>
<tr>
<td>2015–16</td>
<td>John Bussman</td>
<td>AECI</td>
<td>Y</td>
</tr>
<tr>
<td>2016–17</td>
<td>Randy Crissman</td>
<td>New York Power Authority</td>
<td>Y</td>
</tr>
<tr>
<td>2015–16</td>
<td>Jennifer Flandermeyer</td>
<td>Kansas City Power &amp; Light (KCP&amp;L)</td>
<td>Y</td>
</tr>
<tr>
<td>2015–16</td>
<td>Linn Oelker</td>
<td>LG&amp;E and KU</td>
<td>Y</td>
</tr>
<tr>
<td>2015–16</td>
<td>Andrew PusztaI</td>
<td>American Transmission Company</td>
<td>Y</td>
</tr>
<tr>
<td>2015–16</td>
<td>Steve Rueckert</td>
<td>Western Electricity Coordinating Council</td>
<td>N</td>
</tr>
<tr>
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<td>Ed Skiba</td>
<td>MISO</td>
<td>Y</td>
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<tr>
<td>2015–16</td>
<td>Jason Smith</td>
<td>Southwest Power Pool</td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Stephen Crutchfield</td>
<td>NERC</td>
<td>Y</td>
</tr>
<tr>
<td>N/A</td>
<td>Lauren Perotti</td>
<td>NERC</td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Steve Noess</td>
<td>NERC</td>
<td>Y</td>
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<tr>
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<td>Terry Brinker</td>
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<td>Y</td>
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<tr>
<td>Term</td>
<td>Participant</td>
<td>Entity</td>
<td>Present (Y/N)</td>
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<tr>
<td>N/A</td>
<td>Mat Bunch</td>
<td>NERC</td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Andrew Wills</td>
<td>NERC</td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Wendy Mueller</td>
<td>NERC</td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Al McMeekin</td>
<td>NERC</td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Chris Gowder</td>
<td></td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Christy Koncz</td>
<td></td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Karie Barczak</td>
<td></td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Michelle D’Antuono</td>
<td></td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Paul Mehlhaff</td>
<td></td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Rachel Coyne</td>
<td></td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Ron Sporsen</td>
<td></td>
<td>Y</td>
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<tr>
<td>N/A</td>
<td>Guy Zito</td>
<td>NPCC</td>
<td>Y</td>
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</table>

**NERC Antitrust Compliance Guidelines and Public Announcement**
NERC Antitrust Compliance Guidelines and Public Announcement were reviewed by Stephen Crutchfield. There were no questions raised.

**Roster Updates**
There are no updates to the roster.

**Agenda Items**

1. **Review of Agenda**
   P. Heidrich reviewed the Agenda. There were no additions or edits.

2. **Consent Agenda**
   P. Heidrich led a discussion of the March 8 meeting notes. There were no corrections and the SCPS approved the meeting notes.
3. **Discussion of SCPS Member and Leadership Terms for 2016**

   P. Heidrich noted that we had received one nomination from the Standards Committee (SC) for appointment to the SCPS as well as one additional industry member. The SCPS will request additional nominations from industry and SCPS leadership will review nominations and appoint new members.


   P. Heidrich reviewed the SC one-pager (Consideration of Section 11: Process for Approving Supporting Documents of the Standard Processes Manual (SPM), as a Vehicle to Develop Compliance Guidance) with the recommendation regarding Section 11 of the SPM. G Zito noted that the Compliance Guidance Task Force agrees with keeping Compliance Guidance separate from the SPM.

5. **SCPS Work Plan (Those Listed Below Will be Discussed)**

   a. **SCPS Activities**

      i. **Project Assignments** (see Work Plan for details)

         1. B. Li provided update.
         2. P. Heidrich noted that this is to be removed from the Work Plan. The Field Test document will be retired upon approval of Section 6 of SPM and will be tracked on the Standards Resource Document list (item 7 in agenda below).
         3. P. Heidrich provided an update.
         4. To be removed from work plan.
         5. J. Flandermeyer provided update.
         6. P. Heidrich provided update. Work is in progress for Sections 6, 7, and 11 of the SPM.

      ii. **Conceptual Projects**

         1. There are no conceptual projects contained in work plan.

6. **Items Slated for Presentation at Next Standards Committee Meeting**

   P. Heidrich reviewed the items for presentation.

   a. Revisions to the NERC SPM – Section 11 recommendation regarding Compliance Guidance
   
   b. SCPS Membership Nominations - report to SC

7. **Review of the Standards Resource Document list**

   L. Oelker reviewed the document list. There are eight documents owned by the SC that are overdue for review. The Field Test document will be retired. P. Heidrich will follow up with SC Chair Brian Murphy on the SC Charter. The Interpretations document will be updated with the SPM revisions project. A review team (L. Oelker, J. Bussman, Ed Skiba, Lauren Perotti, and Andrew Wills) was appointed to address:

   a. NERC / NAESB template
b. Rapid Revision Procedure

c. Drafting Team Reference Manual

d. SC Charter

H. Gugel will review standards staff documents and update the SCPS regarding their status periodically.

8. Standard Balloting and Commenting System (SBS) Enhancements

M. Bunch reported that he received feedback and will take additional feedback for one week. Would like to get additional feedback for evaluation prior to implementation of SBS revisions.

9. Communication with Industry

P. Heidrich will reach out regarding nominations for SCPS membership.

10. Review of Actions/Assignments–

a. M. Bunch to investigate status of “Revised Template for Quality Review of a Standard or Interpretation” document. It has been removed from the NERC website. This may be correct as L. Oelker had it marked for retirement.

b. SCPS members to provide feedback to M. Bunch on SBS enhancements by April 5, 2016.

c. P. Heidrich will reach out to B. Murphy to discuss SCPS role with regards CRRA project.

11. Future Meetings

a. Meetings in coordination with Standards Committee:
   i. June 14, 2016 (1:00 - 5:00 p.m.) St. Louis, MO
   ii. September 13, 2016 (1:00 - 5:00 p.m.) San Francisco, CA
   iii. December 13, 2016 (1:00 – 5:00 p.m.) Atlanta, GA

b. Interim Conference Call:
   i. May 23, 2016 – 2:30 – 3:30 p.m. Eastern
   ii. June 29, 2016 - 1:00 - 4:00 p.m. Eastern
   iii. September 28, 2016 - 1:00 - 4:00 p.m. Eastern
   iv. August 18, 2016 – 2:30 – 3:30 p.m. Eastern
   v. September 28, 2016 – 1:00 – 4:00 p.m. Eastern
   vi. November 21, 2016 – 2:30 – 3:30 p.m. Eastern

12. Adjourn

P. Heidrich adjourned the meeting at 2:15 p.m. Eastern.
<table>
<thead>
<tr>
<th>Task</th>
<th>General Scope of Task</th>
<th>Task Initiated</th>
<th>Target Completion</th>
<th>Status/Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Consensus Building and SAR Development</td>
<td>To develop a process that will facilitate the effective and efficient development of technical information and building of industry consensus leading to the Standards Committee’s acceptance/approval of the SAR for proposed standard projects.</td>
<td>June 2014</td>
<td>September 2015 SC Meeting</td>
<td>In progress. The scope for this task was approved by the Standards Committee in June 2014. Further development on hold pending discussion with NERC staff. Next step will be to schedule meeting with NERC staff to communicate further detail on the high-level concepts that were previously provided to NERC staff and further coordinate on concepts. The Standards Committee, at its December 9, 2015 meeting, endorsed the proposed concept and the proposed next steps. Developing the Guidance Document with a current target of June, 2016 for presentation to the SC for adoption. <strong>UPDATE:</strong> First draft of the Guidance Document is</td>
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### Standards Committee Process Subcommittee Work Plan (SC Endorsed Project Scopes)

<table>
<thead>
<tr>
<th>Task</th>
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<th>Target Completion</th>
<th>Status/Remarks</th>
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| 2. Cost of Risk Reduction Analysis (CRRA) | To conduct CEAP pilots via:  
  a. Conducting the CEA portion of the CEAP on the second project of the pilot. The Team will develop a report for the SC and the Industry.  
  b. Proposing a list of standards development projects to conduct the CEAP on along with potential criteria for choosing projects for 2014 and beyond and bring these to the SC for endorsement  
  c. Revise the current CEAP guideline document into a second generation document to reflect lessons learned during the pilot and to address potential “benefits” of standard projects and bring to the SC for endorsement.  
  
  **Task was initiated prior to use of scope documents** | April 2012 | a)March 2014 SC Meeting  
  b)August 2014 SC Meeting  
  c)September 2015 SC Meeting | a) Completed  
  b) Complete (note: proposal submitted to NERC staff in lieu of SC)  
  c) In progress |  
  
  Scope of the project was revised to reflect a Cost of Risk Reduction Analysis (CRRA) approach. Endorsed at Sept. 23, 2015 Standards Committee meeting.  
  SCPS continue working with Standards Leadership to evaluate this item and determine next steps.  
  A draft document has been presented to H. Gugel for review. The MRC may need to review some of the issues. |

**Team Lead**: TBD  
- Pete Heidrich  
- Randy Crissman  
- Steven Rueckert  
- Guy Zito (consulting)
### Standards Committee Process Subcommittee Work Plan (SC Endorsed Project Scopes)

<table>
<thead>
<tr>
<th>Task</th>
<th>General Scope of Task</th>
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<th>Target Completion</th>
<th>Status/Remarks</th>
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<tr>
<td></td>
<td>contained within the document. H. Gugel stated that the NERC Board and others may request input from the MRC, and that NERC staff is currently working to determine the mechanism by which this should occur.</td>
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<tr>
<td>3. Communication Facilitation Project</td>
<td>Task encompasses both ballot pool members communicating with each other and SC members communicating with members in their segment</td>
<td>July 2015</td>
<td></td>
<td>SCPs small team to meet and examine ways to facilitate communication while considering resource constraints. <strong>UPDATE:</strong> Proposed recommendation to the SCPS for the June 14, 2016 meeting.</td>
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<tr>
<td><strong>Team Lead:</strong> Jennifer Flandermeyer</td>
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<tr>
<td>John Bussman</td>
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<tr>
<td>Terry Brinker</td>
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<tr>
<td>Andrew Wills (NERC Legal)</td>
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<td></td>
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<tr>
<td>Ed Skiba</td>
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<tr>
<td>4. Revisions to NERC Standard Processes Manual (SPM)</td>
<td>6.a. Develop and propose recommendations to the SC for revisions and/or modifications to the SC Charter Section 10 and Section 6 of the Standards Processes Manual (SPM), which will address the coordination and oversight involvements of the NERC technical committees.</td>
<td>July, 2015</td>
<td>Feb., 2017</td>
<td>Overall project plan will be presented to the SC at the March, 2016 meeting for informational purposes. <strong>UPDATE:</strong> Section 6 (specifically ‘Waiver Provisions’) is currently being</td>
</tr>
<tr>
<td>Task</td>
<td>General Scope of Task</td>
<td>Task Initiated</td>
<td>Target Completion</td>
<td>Status/Remarks</td>
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<tr>
<td>b. Section 7: Process for Developing an Interpretation</td>
<td>6.b. Develop and propose recommendations to the SC for revisions and/or modifications to the Interpretation Process in Section 7 of the SPM which will improve the effectiveness and efficiency of (i) validation of a request for Interpretation (RFI), and (ii) development of an interpretation of an approved Reliability Standard or individual Requirement(s) within an approved Reliability Standard.</td>
<td></td>
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<td>vetted through NERC Compliance. Section 11 ‘strawman’ in review by subgroup.</td>
</tr>
<tr>
<td>c. Section 11.0: Process for Approving Supporting Documents</td>
<td>6.c. Develop and propose recommendations to the SC for revisions and/or modifications to the Technical Document Approval Process in Section 11 of the SPM.</td>
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</table>

**Team Lead: Pete Heidrich**

John Bussman
Ben Li
Jennifer Flandermeyer
Andy Pusztai
Steve Rueckert
Jason Smith
Andrew Wills (NERC Legal)
Lauren Perotti (NERC Legal)
Ryan Stewart (NERC Standards)
Guy Zito (consulting)
Sean Cavote (NERC)
Steve Crutchfield (NERC)
<table>
<thead>
<tr>
<th>Proposed Task</th>
<th>General Scope of Task</th>
<th>Presented to SC for Project Initiation</th>
<th>Scope, Development Initiated</th>
<th>SC Approval of Scope *</th>
<th>Status/Remarks</th>
</tr>
</thead>
</table>

*Upon approval of project Scope, the project will be moved to the “Standards Committee Process Subcommittee Work Plan (SC Endorsed Project Scopes) section.
DRAFT for Comment
Guideline on Consensus Building and SAR Development

A. Introduction

Consensus building is critical to the successful and efficient development of Reliability Standards including their final acceptance by the balloting body. The Consensus Building process begins when industry participants recognize the potential need for Reliability Standard development or propose such a project. Consensus building continues through the various stages of Reliability Standard development explained in the NERC Standard Processes Manual (SPM), including informal and formal development and final ballot.

NERC’s Reliability Standards development process continues to meet the criteria for standards development set forth by the American National Standards Institute (“ANSI”) accreditation. Conceptually, the process of building consensus during the Standard Authorization Request (SAR) and Reliability Standard posting, commenting, and balloting stages are consistent with the ANSI accreditation principles as presented in the NERC SPM. However, a consistent, repeatable, and recognized process for consensus building from the initial proposal of a standard development project, through the final acceptance of the SAR and initiation of formal standards development is not presented in the SPM or any existing standards resource documents.

This document provides a general guideline on conducting consensus building activities by project review teams or SAR drafting teams from the conceptual stage to the acceptance of the final SAR by the Standards Committee (SC). The scope of this guideline document includes the informal standard development stage from project initiation through SC’s acceptance or rejection of the final SAR.

It is recognized that each standard development project is unique that strict adherence to the consensus building process is not mandatory. Use of this guideline on consensus building is at the discretion of the respective team responsible for each applicable project.

B. Background

A standard development project may be initiated through a number of means, including but not limited to the following:

1. The project is identified in the SC’s annual Reliability Standards Development Plan (RSDP);
2. The project is identified by the Reliability Issues Steering Committee (RISC) to address an emerging risk;
3. The project is proposed by stakeholders to address a potential reliability need or to modify existing standards;

4. The project is necessary to address a directive issued by regulatory authorities;

5. The project is initiated at the direction of the NERC Board of Trustees.

In general, projects identified in the RSDP (1, above) may not have an associated SAR. Projects that are identified by the RISC or directed by regulatory authorities or NERC Board of Trustees may or may not have SARs already prepared for processing by the SC, and projects that are proposed by industry participants usually have SARs already prepared.

The SC is required to act on the SARs when submitted in accordance with the process described in the SPM. Whether or not a proposed project will move forward to the formal development stage depends on a number of factors: the sufficiency of technical information, reliability need, cost effectiveness, and scope of project. If industry support for the proposed project is insufficient, an alternate approach of addressing the reliability concern may be pursued, such as a guideline or other accepted industry action rather than continuance of standard development activities.

This consensus building guideline is thus intended to facilitate gathering of technical and cost effectiveness information, and gauging industry’s support for the need and scope of proposed standard development projects to assist the SC with recommendations to move forward with or cease a proposed project and the acceptance of the final SAR where developed.

Note that postings of and commenting on a SAR do not constitute the formal development of a standard since the SAR posting(s) may result in the proposed project being rejected by the industry and the SC. It is only when the SC accepts or approves a final SAR after the posting and comment periods that the proposed project enters formal development. A standard drafting team will then be formed to begin drafting the standard. An explicit acknowledgement by the SC on accepting a final SAR will thus provide a clear demarcation between informal and formal development of a standard project.

C. General Guideline

The general process for consensus building is presented in Figure 1 and Figure 2 below.

Figure 1 illustrates the consensus building process for potential Reliability Standards development projects that do not have a SAR already developed or submitted to the SC;

Figure 2 illustrates the consensus building process for proposed projects or for potential projects that have reached a state where the project team proposes and developed a draft SAR.
In general, consensus building consists of three main stages: (1) formation of project review or SAR drafting team, (2) information gathering and formulation of recommendations, and (3) SAR development and recommendations on acceptance or rejection.

1. Formation of Project Review Team

A team is formed when the SC decides to initiate the process of collecting technical and cost effectiveness information for a proposed project, obtaining industry feedback on the proposed direction of the project, and/or developing and processing a SAR.

For projects that do not already have a SAR prepared, the team would serve as the project review team. For those projects that already have a SAR prepared, the team would serve as a SAR drafting team. Regardless of their designation, the team will build consensus leading to the recommendation on whether or not to proceed with development of the project through formal drafting, commenting and balloting stages.

a. Projects Prior to SAR Development (Ref. Figure 1)

When a project review team is formed prior to SAR development, the team’s main focus on consensus building will include the following activities:

- Collection of technical information;
- Collection of cost effectiveness information;
- Dialogue with industry participants on the reliability benefits, reliability need and proposed scope of the standard project.

The scope of these tasks (see details in Section 2, below) is greater than SAR drafting, posting and responding to comments. As such, it is conceivable that the size of a project review team may be larger than a typical SAR drafting team, with representation from different segments to include representation from across multiple Regional Entities. Representation on a project review team should include:

- Subject matter expertise (background, experience and technical expertise);
- Regional representation (supporting a wide area coverage for outreach activities);
- Functional entity representation (based on potential applicability of the standard to the anticipated functional entities);
- NERC staff\(^1\).

\(^1\) For both industry participants and NERC staff, previous experience in project review teams and/or SAR and standard drafting is desirable.
The project review team should be formed using an open and transparent nomination process consistent with the formation of SAR and standard drafting teams as specified in the SPM. This helps to ensure an open and inclusive process consistent with ANSI principles.

Members selected to the project review team should be aware that there is no expectation or assumption that serving on a project review team ensure appointment to a subsequent SAR or standard drafting team should the SC decide to proceed with SAR development and standard drafting.

b. Projects with a Developed SAR (Ref. Figure 2)

When a SAR has already been drafted, the SAR drafting team’s focus on consensus building will be similar to the above except:

- The number of members may be less than their project review counterparts since technical information may already exist and the scope of outreach may be expected to be smaller;
- The team will work more closely with NERC staff and the SAR proponent to revise the SAR as necessary in accordance with the process presented in the SPM.

2. Information Gathering and Formulation of Recommendations

The project review team or SAR drafting team should exercise discretion in choosing the most effective means of outreach to its target audience. In general, there exists a number of outreach venues, including:

- ERO Webinars/Workshops;
- Technical Conferences;
- Participation at standing committee and subcommittee meetings (including the RISC meetings where necessary and appropriate);
- Participation at Regional Entity meetings and workshops;
- Participation at Transmission and Generation Forum meetings;
- Participation at Trades meetings;
- Participation at ISO/RTO meetings;
- Dialogue with the above entities outside of their regular meetings;
• Posting of team’s assessments and proposed directions/recommendations for feedback.

Based on the information collected, the team will recommend to the SC whether there is sufficient technical and cost information, and general support from the industry on the team’s proposed direction to proceed with standard development. If the team should determine that there is merit to move the project to the next phase, it will request the SC to approve the development of a SAR (if a SAR has not been developed), or to post a developed SAR for industry comment.

3. SAR Development and Recommendation on Acceptance or Rejection

When a recommendation to move forward with the project is accepted by the SC and a SAR does not already exist, the project review team will draft a SAR conveying the perceived need for the standard development project with the technical information collected during the outreach activities incorporated to provide the rationale. It will then seek the SC’s approval to post the SAR for industry comment. Once approved, the project review team will be disbanded. The SC will form a SAR drafting team through the process described in the SPM.

During the SAR posting and commenting period(s), the SAR drafting team is expected to consider industry comments, identify majority views on the need and scope of the proposed project, revise the SAR (if necessary), and post it again for comment (if necessary). When the SAR drafting team determines that the posting(s) have reached a state where a consensus of industry views can be developed, it will recommend to the SC either to accept the final SAR, or to reject the SAR and the proposed standard development project.

To aid the SAR drafting team’s assessment of industry support for the project, consideration should be given to include a question on the SAR comment form to ask specifically whether the commenter supports the proposed standard development project.

To enhance transparency and to demonstrate due consideration of industry comments on the proposed project, consideration may be given to the submission of an SC meeting agenda item to recommend the SC’s formal acceptance or rejection of the final SAR, such that the minutes can clearly reflect the SC’s final decision.

D. Roles and Responsibilities

Standards Committee
• Authorize formation of a project team or SAR drafting team, and approve membership and leadership;
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- Approve or reject the team’s recommendation on approaches to proposed projects;
- Approve the initial SAR posting;
- Accept or reject the final SAR.

Team (Project Review or SAR Drafting)

- Build consensus using industry outreach to:
  - Collect technical, cost, and reliability risk (both what risk is being addressed as well as the risk of not mitigating it) information (if not present at team initiation);
  - Develop and refine supporting documents and technical justification/documentation to provide an understanding of the reliability related issue including potential solutions to address the reliability concerns.
- Formulate proposed approaches for projects and post for comment (for projects without SARs);
- Recommend approaches to proposed projects (for projects without SARs) to the SC;
- Develop SARs and seek SC’s approval to post initial SARs for comment;
- Respond to comments and revise SARs as appropriate;
- Recommend formal acceptance or rejection of the final SAR to the SC;
- Assists in developing and/or refining the Standard Authorization Request (SAR), if the proposed projects appear to be supported and the SAR has not been previously developed;
- Identify informal consensus outreach activities conducted and recommend time frames and milestones to the SC for the proposed project.

NERC Staff

- An integral part of the project review or SAR drafting team, make necessary arrangements for outreach to the industry;
- Participate in consensus building, and provide administrative support, e.g., schedule meetings, document information, prepare meeting minutes or notes, post relevant documents on NERC website, compile industry comments and the team’s responses, etc.
SAR Proponent

- Participate in outreach tasks when invited by the SAR drafting team;
- Work with NERC staff and SAR drafting team to revise SARs where necessary.

E. Document Control

Ownership: Standards Committee Process Subcommittee

Revision history: Version 1 (date to be provided)

Update period: Every two years
Figure 1

Consensus Building for Enhancements to Formal Standard Development with SAR not developed

Project Initiation:
- In RSDP
- Nomination by RISC
- Proposed by staff/industry participants
- Regulator Driven
- Directed by BoT

Team Formation (Project Review Team)

Evaluate Reliability Related Issue

Consensus Building Outreach (Notes 1 & 2)

Proceed with SAR development

Draft a Standard Authorization Request and supporting documents

Terminate Standard Development proposal with SC approval

SC Proceeds Forming SAR Drafting Team and posting of SAR (see Figure 2)

Notes:
1. Potential Target Audiences
   - Technical resource (SMES) for potential assistance
   - Tradew/RUC/RPG/Regional Entities
   - Standing Committees/RISC
   - Transmission and Generator Forums

2. Potential Outreach Opportunities
   - ERG Webinars/Workshops
   - Postings requiring consideration by Team
   - Technical Conferences
   - Standing Committee and Subgroup Meetings
   - Regional Entity Meetings/Workshops
   - Forum Annual Meetings and Workshops
   - Data Savers

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Figure 2

**Consensus Building for Enhancements to Formal Standard Development with SAR developed**

**Project Initiation:**
- In RSDP
- Nomination by RISC
- Proposed by staff/industry participants
- Regulator Driven
- Directed by BoT

- Team Formation (SAR Drafting Team)
- Evaluate Reliability Related Issue
- Consensus Building Outreach (Notes 1 & 2)

- Proceed with standard development
  - Recommend Standards Committee to accept final SAR
  - Terminate Standard Development proposal with SC approval

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Note 1: Potential Target Audiences
- Technical resource (BiAs) for potential assistance
- Trades/SC/RTO/Regional Entities
- Standing Committees/RISC
- Transmission and Generator Forums

Note 2: Potential Outreach Opportunities
- ERO Webinars/Workshops
- Postings requiring consideration by Team
- Technical Conferences
- Standing Committee and Subgroup Meetings
- Regional Entity Meetings/Workshops
- Regional Group Meetings/Workshops
- Data Surveys

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Communications Project

Action
Take no action in response to the recommendation for further establishing mechanisms for communication among ballot pool members and communication among Standards Committee (SC) members in the same Registered Ballot Body Segments.

Background
Historically, there was a perspective that ballot pool members could use the NERC Listservs to send concerns, issues, and requests to like Segment participants for ballot consideration. There was a concern that SC members representing those Segments could not communicate with the Segment they represented when they were not also serving as a ballot pool member in the same Segment.

Given the recent change to the Standard Balloting and Commenting System, again the issue was raised that the communications functionality has been further diluted and the mechanism for communicating with ballot pool members is more like a blog in the system for all participants to read versus a segment specific communication.

In discussions with a small group to ensure the problem statement was correctly defined and to validate understanding of options, the following conclusions were reached:

- Creation of a Segment-specific communication method would not be available during the 10-day ballot window to comply with the NERC Standard Processes Manual (SPM), Section 4.9: Conduct Ballot and Non-binding Poll of VRFs and VSLs. The SPM states the voting window shall be for a period of 10 calendar days but shall be extended, if needed, until a quorum is achieved. According to Section 4.9, NERC shall not sponsor or facilitate public discussion of the Reliability Standard action during the ballot window.

- Use of Segment-specific communication methods would potentially limit open and transparent communications throughout the process or give an appearance of such, thus could be interpreted as inconsistent with the NERC Reliability Standards development processes and collaborative opportunities for industry to work together toward reliability improvements. Again, this conclusion was related to expectations outlined in Section 1.4 of the NERC SPM (Essential Attributes of NERC’s Reliability Standards Processes), which focuses on due process and openness. As Section 1.4 states, “The same attributes, as well as transparency, consensus-building, and timeliness, are also required under the ERO Rules of Procedure Section 304.”
Members representing Segments on committees and in ballot pools have identified other means of communicating with industry participants via other non-NERC sponsored methods such as trade organizations, forums, etc.

NERC Listservs are still available and functioning for Segment communications but are not operational during the 10-day ballot window.

Segment members on NERC committees that are not registered Segment ballot pool members have previously sent messages through the registered ballot pool members when needed to generate awareness and encourage participation.

Not all of the smaller entities are represented by a trade organization or other organization but can still utilize the Listserv communication tool outside the ballot window.

In conclusion, the group recommends no further action necessary. While multiple communication processes exist and may be somewhat cumbersome, the potential issue does not have significant impact requiring further efforts.
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**NERC Drafting Team Resources - Companion Document to DT Reference Manual (POSTED 2/2/2015)**

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This document is a conglomeration of individual documents with individual review periods and itself does not need a periodic review.