NERC
NORTH AMERICAN ELECTRIC RELIABILITY CORPORATION

Compliance Monitoring and Enforcement Program

Q1 2017

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Compliance Committee Open Meeting

May 10, 2017

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- Four Notices of Penalty involving vegetation management, load shedding, and loss of system monitoring were filed.
- The Electric Reliability Organization (ERO) Enterprise alignment regarding approaches to penalties, risk assessment, and mitigation continues:
  - Guidance, training, and review of case studies.
- The Self-Logging process review concluded and next steps are underway:
  - Streamlining of processes, and
  - Additional outreach.

- The Petition to FERC for enhancements to Self-logging Program and Compliance Exceptions was filed:
  - Eliminates public posting of self-logged Compliance Exceptions, and
  - Allows moderate Compliance Exceptions.
- Joint annual review with FERC staff of Find, Fix, Track, and Report and Compliance Exceptions is underway.
- Mitigation completion rates remain an area of focus:
  - Over 99% of violations discovered in 2014 and prior have been mitigated.
- The average age of violation in inventory is under seven months.
- Self-identification of violations increased to 89.9%.

- Inherent Risk Assessment Completion:
  - Completed for all Balancing Authorities, Transmission Operators, and Reliability Coordinators.

- Internal Controls Implementation:
  - Focus on enhancing processes for conducting reviews of internal controls during Compliance Monitoring and Enforcement Program (CMEP) activities, such as audits.

- Multi-Region Registered Entities (MRREs) Participant Survey

- ERO Enterprise Procedure for MRRE's in Coordinated Oversight

- Data Submittal Schedule

- Coordinated Oversight MRRE Frequently Asked Questions

- The Nuclear Energy Institute was approved as a pre-qualified organization.

- Implementation Guidance

  ▪ 18 Endorsed, 7 Non-Endorsed, and 4 Open

- CMEP Practice Guides

  ▪ Phased Implementation Plans with Completion Percentages

- How to Develop Implementation Guidance Webinar

- Inventory of Implementation Guidance Under Development

- Retired Implementation Guidance Webpage Update

- High percentage of CIP Version 5 possible non-compliance self-identified

- Remote access study

- Physical Security effectiveness report

- Emerging Technology Roundtable

- Industry Outreach

Questions and Answers

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