NERC Antitrust Guidelines
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.

Notice of Open Meeting
Participants are reminded that this webinar is public. The access number was 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.
• Project background
• FERC Order No. 808 Directive
• Proposed new requirements (Requirement R12 and R13)
• Common themes from initial ballot and SDT proposals
• Implementation Plan
• Q&A
• COM-001 establishes Interpersonal Communication capabilities for applicable entities.

• In the FERC Notice of Proposed Rulemaking (NOPR) for COM-001-2, the Commission asked for comments on whether the standard should be modified to address internal communication capabilities.

• COM-001-2 was approved in FERC Order No. 808, which was issued April 16, 2015.
FERC Order No. 808 Directive

• FERC Order No. 808 directed NERC to address:
  
  - “internal communications capabilities to the extent that such communications could involve the issuance or receipt of Operating Instructions or other communications that could have an impact on reliability.” Order No. 808, at P 1.
  
  - “[t]he adequacy of internal communications capability whenever internal communications could directly affect the reliable operation of the Bulk-Power System.” Order No. 808, at P 41.
• Project 2015-07 formed for the purpose of addressing the FERC directive.
• Initial draft posted in September 2015 for initial ballot and comment
• SDT made revisions to the draft standard to address industry comments and concerns raised during the initial ballot
• Additional posting anticipated to occur in March 2016
Common themes from industry comments

- Requirements are too broad as written.
- The recommendations from FERC (i.e. geographically separate control centers) should be in the Requirements.
- Including GOP and DP go beyond the FERC directive.
- FERC directive should be handled in a guidance document or through the certification process, not a mandatory Requirement.
• COM-001-3 is a modified version of COM-001-2
  ▪ Proposed Requirement R12 addresses Reliability Coordinator, Balancing Authority, Generator Operator, and Transmission Operator responsibilities.
  ▪ Proposed Requirement R13 addresses Distribution Provider responsibilities.
  ▪ Two separate requirements were necessary to address different VRFs based on the risks associated with different functional registrations.
• **Requirement R12:** Each Reliability Coordinator, Transmission Operator, Generator Operator, and Balancing Authority shall have internal Interpersonal Communication capabilities for the exchange of information that is necessary for the Reliable Operation of the BES, to include, but not limited to, control centers within the same functional entity, or between a control center and field personnel within the same functional entity. [Violation Risk Factor: High] [Time Horizon: Real-time Operations]

• **Requirement R13:** Each Distribution Provider shall have internal Interpersonal Communication capabilities for the exchange of information that is necessary for the Reliable Operation of the BES, to include, but not limited to, control centers within the same functional entity, or between a control center and field personnel within the same functional entity. [Violation Risk Factor: Medium] [Time Horizon: Real-time Operations]
Measures for R12 (and R13): Each Reliability Coordinator, Transmission Operator, Generator Operator, and Balancing Authority (Distribution Provider) shall have and provide upon request evidence that it has internal Interpersonal Communication capability, which could include, but is not limited to:

- physical assets, or
- dated evidence, such as, equipment specifications and installation documentation, operating procedures, test records, operator logs, voice recordings, transcripts of voice recordings, or electronic communications.

Examples include, but are not limited to control centers within the same functional entity, or between a control center and field personnel within the same functional entity.
• “Interpersonal Communication” is defined in the NERC Glossary as, “Any medium that allows two or more individuals to interact, consult, or exchange information.”

• SDT believes “capabilities” are not limited but encompass any medium that allows two or more individuals to interact, consult, or exchange information, as stated in the NERC Glossary definition of Interpersonal Communication.

• The SDT agrees with FERC and NERC that entities must have the capability in place to establish internal Interpersonal Communication capabilities necessary to maintain reliability.

• The SDT agrees that these capabilities are absolute.
• Requirements are too broad as written
  ▪ The SDT believes the proposed language allows for necessary flexibility to accommodate different geographical areas/regions and entity configurations.

• The recommendations from FERC (*i.e.*, geographically separate control centers) should be in the Requirements.
  ▪ The SDT revised the requirements to state, “to include, but not limited to, control centers within the same functional entity, or between a control center and field personnel within the same functional entity.”
• Including GOP and DP go beyond the FERC directive.
  ▪ COM-001-2 was expanded from FERC Order No. 693 to include GOPs and DPs. Proposed Requirements R12 and R13 reflect that general update since COM-001-1.1.

• FERC directive should be handled in a guidance document or through the certification process, not a mandatory Requirement.
  ▪ FERC directed NERC to modify the existing standard or develop a new standard to address the issue
  ▪ The SDT determined that the proposed new requirements are the most appropriate method to address the reliability gap identified in the FERC directive
• Proposed COM-001-3 effective date is 9 months from approval by FERC or other applicable governmental authority

• The SDT extended the effective date from 6 months to 9 months based upon industry comments received during the initial ballot period.
Reference Documents

- **COM-001-2:**

- **COM-001-2 NOPR:**


- **Project 2015-07 Project page (SAR, Comments, and all project drafts documents):**
  [http://www.nerc.com/pa/Stand/Pages/Project%202015-07_Internal_Communications_Capabilities.aspx](http://www.nerc.com/pa/Stand/Pages/Project%202015-07_Internal_Communications_Capabilities.aspx).
Questions and Answers

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