

NERC

NORTH AMERICAN ELECTRIC
RELIABILITY CORPORATION

Draft Reliability Standards Development Plan

2021-2023

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RELIABILITY | RESILIENCE | SECURITY



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Background

As described herein, this Reliability Standards Development Plan (RSDP) builds upon the goals of the previous RSDPs. Pursuant to Section 310 of the NERC Rules of Procedure, NERC is required to develop and provide to applicable governmental authorities an annual RSDP for Reliability Standards development. Each annual RSDP must include a progress report comparing results achieved to the prior year's RSDP. NERC is required to consider the comments and priorities of the applicable governmental authorities in developing and updating the annual RSDP. NERC also provides the RSDP to the NERC Standards Committee (SC) for review and posts the RSDP for industry comment.

Executive Summary

This 2021-2023 RSDP provides insight into standards development activities anticipated at the time of publication, so that stakeholders may make available resources needed to accomplish the standards development objectives. Additional activities such as Requests for Interpretation and Regional Variance development may impact the plan, but are not included at this time. In order to help the industry understand resource requirements for each project, the RSDP now shows time frames and anticipated resources for each project under development.

This RSDP recognizes the diligent work over the last few years in transforming the body of NERC Reliability Standards into a mature state while shifting the focus of the standards program to Periodic Reviews, Federal Energy Regulatory Commission (FERC) directives, emerging risks, Standard Authorization Requests (SARs), and the Standards Efficiency Review (SER). This RSDP also contemplates that the work of the Reliability and Security Technical Committee (RSTC) and working groups thereunder may result in more SARs and subsequent standards projects.

Periodic Reviews and initiatives such as any further SER phases, also enable NERC to identify requirements that do little to promote reliability, and should therefore be retired. Periodic Reviews will occur at a measured pace compared to the level of activity and pace of standards development during recent years. Additionally, Periodic Reviews will be aligned with the strategic consideration of reviewing standard families that are interrelated.¹ Also, the Standards Grading efforts for 2020 will pause until 2021 to allow industry to focus on business continuity efforts in light of the recent Covid-19 pandemic.

While most of the work in the next three years will focus on new SARs, Periodic Reviews, SER implementation, and Standards Grading, there may be new or emerging risks identified that could generate new standards development projects. NERC will continue to seek input and recommendations from the Reliability Issues Steering Committee (RISC) with regard to emerging or potential risks to Bulk Electric System (BES) reliability that may require revisions to existing standards or new standards development.

To help determine impact of potential risk to BES reliability, NERC will use a variety of feedback mechanisms, including but not limited to, the Compliance Monitoring and Enforcement Program, RISC profiles, Events Analysis, and Compliance violation statistics, as well as any published “Lessons Learned.” The Regional Entities also have feedback mechanisms in place to solicit comments from industry and to help identify approaches to meet concerns and provide input to the standards. Input into standards will also continue to be coordinated with the North American Energy Standards Board as appropriate. In assessing feedback to create new or revised standards, NERC will focus on risk, reliability or security data, and enforcement information to determine whether a standard revision is the best tool to initially address the reliability risk.

¹ The Periodic Review standing review team grades the standards prior to conducting Periodic Reviews. The team includes representatives from NERC, the Regional Entities, and RSTC. If the standard is revised through the standard development process in response to a Periodic Review recommendation(s), the Periodic Review standing review team will re-grade the standard with the revised language.

Progress Report

Pursuant to Section 310 of the NERC Rules of Procedure, NERC offers the following progress report on Reliability Standards development.

FERC Directives

As of June 30, 2020, there are four² outstanding directives being resolved through the standards development process. The status of the Standards directives are reported quarterly to the NERC Board of Trustees (Board).

Continuing Projects

One project, Project 2019-05 [Modifications to PER-003-2](#), that commenced in 2019 is currently on hold pending further action from the Personnel Certification and Governance Committee. All of the other projects from the previous RSDP are complete or expected to be complete this year, except the following, which will continue into 2021:

1. Project 2016-02 [Modifications to CIP Standards](#) (virtualization)
2. Project 2017-01 [Modifications to BAL-003-1.1](#) (phase 2)
3. Project 2019-04 [Modifications to PRC-005-6](#)
4. Project 2019-06 [Cold Weather](#)
5. Project 2020-01 [Modifications to MOD-032-1](#)
6. Project 2020-02 [Transmission-connected Dynamic Reactive Resources](#)
7. Project 2020-03 [Supply Chain Low Impact Revisions](#)
8. Project 2020-04 [Modifications to CIP-012](#)

Additional project information is available on the NERC website on the Standards web page.³ Also, the SER completed an initial assessment of the entire body of standards in 2018 prior to initiating the Standards development process to consider any changes to the body of Reliability Standards in 2019. The first phase of Standards retirements for SER have been completed, and any future development will continue into 2021.

The following projects have been or are planned to be completed in 2020 (actual and anticipated Board adoption dates are noted):

1. Project 2017-07 Standards Alignment with Registration (adopted by the NERC Board in February 2020)
2. Project 2018-04 Modifications to PRC-024-2 (adopted by the NERC Board in February 2020)
3. Project 2019-01 Modifications to TPL-007-3 (adopted by the NERC Board in February 2020)
4. Project 2016-02 Modifications to CIP Standards (modifications to CIP-002 to address Transmission Owner Control Centers adopted by the NERC Board in May 2020)
5. Project 2015-09 Establish and Communicate System Operating Limits (projected to be adopted November 2020)

² The following projects are currently modifying standards to address directives: 1) Project 2015-09 Establish and Communicate System Operating Limits (communication of IROs); 2) Project 2019-03 Cyber Security Supply Chain Risks (inclusion of EACMs in Supply Chain Reliability Standards); and 3) 2020-04 Modifications to CIP-012 (requirement for protections regarding the availability of communication links and data communicated between bulk electric system Control Centers). The fourth directive is a requirement to submit project schedules for two ongoing CIP projects.

³ As of the date of publication, the subject web page resides at <http://www.nerc.com/pa/Stand/Pages/default.aspx>.

6. Project 2019-02 BES Cyber System Information Access Management (projected to be adopted November 2020)
7. Project 2019-03 Cyber Security Supply Chain Risks (projected to be adopted November 2020)

2021 Projects

Projects Continuing into 2021

In determining high, medium, or low priority designations for projects as listed in this RSDP, the following factors were taken into consideration:

1. Outstanding regulatory directives with filing deadlines (High Priority)
2. RISC category rankings of high impact with consideration of probability of occurrence (High or Medium Priority)
3. Potential reliability risks from stakeholders provided through feedback mechanisms (High, Medium, or Low Priority, based on the risk)
4. Outstanding regulatory directives without regulatory deadlines or “soft directives” such as considerations (High or Medium Priority)
5. Outstanding requirements that are known candidates for retirement (Medium or Low Priority)
6. Any known adverse content and quality assessments (likely Low Priority, as any reliability gaps identified have already been addressed)

High Priority

- Project 2019-06 [Cold Weather](#) (drafting estimated to be completed by December 2021 requiring approximately 10 industry subject matter experts for approximately 120 work hours each for the remaining part of this project)
- Project 2020-04 [Modifications to CIP-012](#) (drafting estimated to be completed by August 2021 requiring approximately 10 industry subject matter experts for approximately 100 work hours each for the remaining part of this project)
- Project 2020-03 [Supply Chain Low Impact Revisions](#) (drafting estimated to be completed by December 2021 requiring approximately 10 industry subject matter experts for approximately 120 work hours each for the remaining part of this project)

Medium Priority

- Project 2016-02 [Modifications to CIP Standards](#) (virtualization) (drafting estimated to be completed by December 2021 requiring approximately 11 industry subject matter experts for approximately 120 work hours each for the remaining part of this project)
- Project 2017-01 [Modifications to BAL-003-1.1](#) (phase 2) (drafting estimated to be completed by August 2021 requiring approximately ten subject matter experts for approximately 40 work hours each for this project)

Low Priority

- Project 2019-04 [Modifications to PRC-005-6](#) (drafting estimated to be completed by August 2021 requiring approximately eight subject matter experts for approximately 40 work hours each for this project)
- Project 2020-01 [Modifications to MOD-032-1](#) (drafting estimated to be completed by November 2021 requiring approximately 12 subject matter experts for approximately 40 work hours each for this project)

- Project 2020-02 [Transmission-connected Dynamic Reactive Resources](#) (drafting estimated to be completed by May 2022 requiring approximately 10 subject matter experts for approximately 40 work hours each for this project)⁴

⁴ Another SAR related to this project is expected to be submitted to the Standards Committee later in 2020; therefore, the scope of this project is expected to change. The timeline for seating this drafting team and commencing work will be coordinated with the anticipated SAR.

Other Projects Continuing into 2021

NERC Reliability Standards Efficiency Review Continuation

In 2018, NERC began using both internal ERO Enterprise resources and industry resources to evaluate candidates for potential Reliability Standard retirements. NERC solicited industry participants to evaluate possible candidate requirements that may no longer be necessary to support reliability or address current risks to the Bulk Power System (BPS). Through open and transparent industry participation, the SER teams submitted a SAR to the SC in order to implement recommended changes to the body of Reliability Standards. The SAR was accepted at the August 2018 SC meeting, and the effort retired numerous standards in 2019. The next phase will also review the CIP family of standards and data retention efforts.

NERC will continue to coordinate with the industry team to ensure all of the information developed through previous Standards Grading efforts, which includes consideration of content, quality, cost, and reliability impact analysis, align with the SER projects.

Other Projects Commencing

Currently, no Reliability Standards are due for periodic review in 2020. The Periodic Reviews will coordinate timing with any subsequent phases of the SER project to ensure the initiatives work together to review the standards that may need to be modified. Additionally, SARs, emerging risks to the BPS, and FERC regulatory directives that may occur subsequent to publishing this RSDP may prompt additional projects through 2020. Several projects are anticipated based on SARs being developed at the RSTC. Finally, as noted above, the Standards Grading effort will resume in 2021 and will be attached in the corresponding RSDP.